

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

I 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 GFA
WORLD

Applicant

APPLICATION RECORD
(CCAA Application returnable June 26, 2020)

June 25, 2020

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INDEX

INDEX

TAB	DOCUMENT	PAGES
1.	Notice of Application dated June 25, 2020	1
2.	Affidavit of Pat Emerick sworn June 25, 2020	9
A	Exhibit A – Corporate Profile for GFA World	46
B	Exhibit B – Letters Patent dated Dec 21, 1984	51
C	Exhibit C – Articles of Amendment dated Mar 24, 2017	68
D	Exhibit D – 2016, 2017, and 2018 Audited Financial Statements	71
E	Exhibit E – Revenue Comparison Chart	105
F	Exhibit F – Financial Statements dated February 29, 2020	107
G	Exhibit G – PPSA Searches	111
H	Exhibit H – US Class Action Claim	114
I	Exhibit I – US Settlement Agreement	159
J	Exhibit J – Settlement Variance Order in US Class Action	205
K	Exhibit K – Notice of Action in Nova Scotia Action	211
L	Exhibit L – Statement of Claim in Nova Scotia Action	215
M	Exhibit M – Donations Comparison Chart	231
N	Exhibit N – Monitor’s Consent	233
O	Exhibit O – Cash Flow Statement	234.1
3.	Draft Initial Order	235
4.	Blackline to the Model Initial Order	253

1

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Applicant

NOTICE OF APPLICATION
(CCAA Application returnable June 26, 2020)

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for a hearing on June 26, 2020, at 12:00p.m. or as soon after that time as the matter may be heard at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with the documents in the application, you or an Ontario lawyer acting for you must prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the Applicant's lawyers and file it, with proof of service, in the court office where the application is to be heard, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you and your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyers and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than two (2) days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LEGAL AID OFFICE.

Date: June 26, 2020

Issued by _____

Address of Court Office:
330 University Avenue
Toronto, Ontario
M5G 1R7

APPLICATION

1. **GFA WORLD** (“**GFA Canada**” or the “**Applicant**”) **MAKES THIS APPLICATION** for an initial order (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) substantially in the form attached at Tab “3” of the Application Record, *inter alia*:¹
 - (a) abridging the time for and validating the service of this Notice of Application and the Application Record;
 - (b) declaring that the Applicant is a party to which the CCAA applies;
 - (c) declaring that the Applicant shall have the benefits and protections set forth in the Initial Order;
 - (d) appointing PricewaterhouseCoopers Inc. (“**PwC**”) as an officer of the Court to monitor the assets, business and affairs of the Company (the “**Monitor**”);
 - (e) staying all proceedings taken or that might be taken in respect of the Applicant or its assets, properties and undertakings (the “**Property**”) or the directors and officers of the Applicant or the Monitor;
 - (f) staying all proceedings taken or that might be taken in respect of GFA Canada’s current and future assets, businesses, undertakings and properties;
 - (g) staying all proceedings taken or that might be taken in respect of GFA Canada’s current and former directors and officers
 - (h) staying all proceedings against the Third Party Defendants (as that term is defined in the draft Initial Order) in respect of all litigation concerning the business and

¹ Capitalized terms used but not otherwise defined herein have the meanings given to them in the affidavit of Patrick Emerick sworn June 25, 2020 (the “**Initial Affidavit**”) in support of this application.

affairs of GFA Canada and any other matters concerning the collection, management and use of donations collected in Canada;

- (i) authorizing the Company to pay certain expenses incurred prior to, on or after the date of the Initial Order, subject to the provisions of the Initial Order;
- (j) granting the following charges over the Property, with the relative priorities as set out below:
 - (i) *first* – the Administration Charge in the aggregate amount of \$150,000 in favour of the Monitor, legal counsel to the Monitor, and legal counsel to the Company as security for their professional fees and disbursements; and
 - (ii) *second* – the Directors’ Charge in favour of the Directors and Officers to a maximum amount of \$75,000;
- (k) and such further and other relief as this Court deems just.

2. **THE GROUNDS FOR** the Application are:

- (a) GFA Canada is a corporation constituted under the *Canada Not-for-Profit Corporations Act*, S.C. 2009, c. 23 and a registered charity;
- (b) GFA Canada is a charitable organization that is focussed on raising donations in Canada that can be used to fund charitable works in south Asia (including India, Sri Lanka, Nepal, Myanmar, Bangladesh, Cambodia, Laos, China, and Thailand) (collectively, the “**Field**”), primarily in areas not serviced by other charitable or social delivery services;
- (c) Through its head office in Stoney Creek (Hamilton), Ontario, GFA Canada raises donations throughout Canada, which funds are then sent to a number of different entities located in the Field that use the funds as instructed by GFA Canada;

- (d) GFA Canada now finds itself in the position of needing protection under the CCAA as a result of a material decline in its donations and claims of \$170 million that have been levied against it;
- (e) The decline in donations, which comprises GFA Canada's primary source of revenue, has been caused by (i) the negative publicity caused by certain class action proceedings commenced against Gospel for Asia, Inc. ("**Gospel US**"), another charity that shares certain ecclesiastical and fraternal backgrounds with GFA Canada; and (ii) the on-going COVID pandemic crisis;
- (f) Further, in February 2020, a class action claiming \$170 million was commenced in Nova Scotia, Canada (the "**CDN Class Action**") directly against GFA Canada, as well as Gospel US and certain former and current officers and directors of GFA Canada. The new CDN Class Action makes allegations of fraudulent misrepresentation and misappropriation of funds, among other claims. This new action, claims \$170 million (including \$50 million for punitive damages) purportedly on behalf of GFA Canada's donors across Canada. The commencement of this claim raises the risk of other copycat class litigation in other Canadian jurisdictions;
- (g) GFA Canada intends to vigorously defend this claim in the requested CCAA proceedings;
- (h) The combination of decline in donations and the costs necessary to defend and resolve the CDN Class Action, in light of its current charitable obligations, has rendered GFA Canada unable to meet its foreseeable obligations, and as a result, it is required to seek protection under the CCAA;
- (i) Absent the oversight and structure afforded by a CCAA proceeding, GFA World's ability to attract donations and conduct its charitable works will be greatly diminished, and it is possible that GFA World would not survive;
- (j) GFA Canada requests that it be granted protection under the CCAA so that it can be given the breathing space necessary to allow it to continue its important

charitable work, provide its donors with the transparency of a court-supervised process for addressing GFA Canada's issues under the supervision of a court-appointed Monitor which should help stabilize future donations, and allow it to resolve the existing and any future claims made against it in Canada whether through a consensual arrangement or otherwise;

- (k) PwC has consented to act as Court-appointed Monitor of the Company in these CCAA proceedings if so appointed by the Court;
- (l) the payment of certain pre-filing obligations during the CCAA proceedings is essential to the continued operation of the Business;
- (m) the granting of the Administration Charge and the Directors' Charge is appropriate in the circumstances and will facilitate the active involvement of the beneficiaries of the charges during the CCAA proceedings;
- (n) the other relief in the proposed Initial Order is appropriate in the circumstances;
- (o) the provisions of the CCAA and this Court's equitable and statutory jurisdiction thereunder;
- (p) Rules 1.04, 1.05, 2.03, 3.02, 14.05(2), and 38 of the Ontario *Rules of Civil Procedure*, R.S.O. 1990, Reg. 194, as amended; and
- (q) such further and other grounds as counsel may advise and this Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

- (a) the Affidavit of Patrick Emerick and the exhibits attached thereto;
- (b) the Monitor's Pre-Filing Report and the appendices attached thereto;
- (c) the consent of PricewaterhouseCoopers Inc. to act as Monitor; and

- (d) such further and other materials as counsel may advise and this Court may permit.

Date: June 26, 2020

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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,
c. C-36, AS AMENDED**

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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GFA WORLD**

Applicants

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

NOTICE OF APPLICATION
(CCAA Application returnable June 26, 2020)

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2

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SUPERIOR COURT OF JUSTICE
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Applicant

**AFFIDAVIT OF PAT EMERICK
(sworn June 25, 2020)**

Table of Contents

I. OVERVIEW	2
II. GFA CANADA'S STRUCTURE AND CHARITABLE WORKS	5
A. GFA CANADA	5
B. DESCRIPTION OF GFA CANADA'S CHARITABLE WORKS	7
C. DONATIONS TO GFA CANADA	10
D. GFA CANADA'S KEY ASSETS AND LIABILITIES	12
E. GFA CANADA'S CASH MANAGEMENT SYSTEM	14
F. GFA CANADA'S EMPLOYEES	16
III. CAUSES OF GFA CANADA'S FINANCIAL DIFFICULTIES	18
A. DECREASE IN DONATIONS DUE TO US LITIGATION	18
B. CDN CLASS ACTION AGAINST GFA CANADA AND COVID CRISIS	20
IV. NEED FOR CCAA PROTECTION	21
A. GENERALLY	21
B. PROTECTION AND USE OF FUTURE DONATIONS	22
C. ANTICIPATED CLAIMS PROCESS	25
D. OTHER ANTICIPATED MOTIONS	25
V. RELIEF SOUGHT – PROPOSED INITIAL ORDER	26
A. PWC IS THE PROPOSED MONITOR	26
A. STAY OF PROCEEDINGS	26

B.	FINANCING CCAA PROCEEDINGS	29
C.	ONGOING PAYMENT OF CERTAIN EXPENSES	30
D.	MONITOR AND ADMINISTRATION CHARGES	31
E.	DIRECTORS' CHARGE.....	32
F.	PRIORITY OF CHARGES.....	33
VI.	CONCLUSION.....	34

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Applicant

**AFFIDAVIT OF PAT EMERICK
(sworn June 25, 2020)**

I, **PAT EMERICK**, of the Town of Wills Point, in the State of Texas, United States of America,
MAKE OATH AND SAY:

1. I am presently the Ministry Director, President and a director of GFA World (“**GFA Canada**” or the “**Applicant**”).¹ I have been involved with GFA Canada in various capacities since March 2008. As such, I have personal knowledge of the Applicant and the matters to which I depose in this affidavit and I have also informed myself of certain matters by making various inquiries of other employees working under my direction and others at GFA Canada in the normal course of the Applicant’s operations, all of which information I verily believe. Where I do not possess personal knowledge, I have stated the source of my information and, in all such cases, believe it to be true.

¹ I have also recently become a paid employee of Gospel US (defined below). However, I am not a director or officer of Gospel US, nor do I work in a managerial position with Gospel US.

- 2 -

I. OVERVIEW

2. This Affidavit is sworn in support of GFA Canada's Application for an Order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**" or the "**Act**"). Unless otherwise stated, all references to dollar amounts are in Canadian dollars.
3. GFA Canada is a charitable organization that is focussed on raising donations in Canada that can be used to fund charitable works in south Asia (including India, Sri Lanka, Nepal, Myanmar, Bangladesh, Cambodia, Laos, China, and Thailand) (collectively, the "**Field**"), primarily in areas not serviced by other charitable or social delivery services. The majority of the work that GFA Canada funds is undertaken in India.
4. GFA Canada focusses on supporting and funding four main types of charitable works in the communities that it serves: (i) investing in community development; (ii) supporting children; (iii) compassion services, including helping families in need of care during disasters; and (iv) sponsorship of national missionaries.
5. Through its head office in Stoney Creek (Hamilton), Ontario, GFA Canada raises donations throughout Canada, which funds are then sent to a number of different entities located in the Field that use the funds as directed by GFA Canada.

- 3 -

6. GFA Canada now finds itself in the position of needing protection under the CCAA as a result of a material decline in its donations and claims of \$170 million that have been made against it.
7. First, the decline in donations, which comprises GFA Canada's primary source of revenue,² has been caused by two principal factors:
 - (a) GFA Canada is one of a number of independent charities and organizations that share certain ecclesiastical backgrounds, in particular being created and inspired by the work of K.P. Yohannan, who founded Gospel for Asia, Inc. ("**Gospel US**") in 1979. GFA Canada raises donations in Canada and then provides funding to Believer's Eastern Church ("**BEC Asia**") which was founded by K.P. Yohannan, and certain charitable trusts controlled by it, who then carries out the physical work in the Field. In 2016, Gospel US became embroiled in certain class action litigation in the US in which various allegations of fraudulent and other financial impropriety were made. Although the litigation did not name GFA Canada and one claim did not proceed and the other was ultimately settled last year, the spectre of such litigation in the US and the resulting Internet chatter resulted in a marked decline in GFA Canada's own donations; and

² GFA Canada's other source of revenue would be interest earned on donations held before they are sent to the field.

- 4 -

- (b) the on-going COVID pandemic crisis has placed an additional strain on donors' ability or willingness to donate or has caused them to change the entities to which they donate.
8. Second, in February 2020, a class action proceeding claiming \$170 million was commenced in Canada (the "**CDN Class Action**") directly against GFA Canada, as well as Gospel US and certain former and current officers and directors of GFA Canada (including me and some individuals who are currently officers or directors of Gospel US). The new CDN Class Action makes allegations of fraudulent misrepresentation and misappropriation of funds, among other claims. This new action, claiming \$170 million (including \$50 million for punitive damages) purportedly on behalf of GFA Canada's donors across Canada, is being advanced by the same lawyers from Texas who commenced the earlier litigation against Gospel US in the US. The commencement of this claim raises the risk of other copycat class litigation in other Canadian jurisdictions, as I understand often happens in class actions. To be clear, I, along with GFA Canada, believe that there is no basis to the allegations raised in the CDN Class Action, and it is our belief that these allegations arise from a fundamental misunderstanding of GFA Canada's operations, administrative challenges that arose and how they were addressed, and how GFA Canada's accounting works.
9. While GFA Canada intends to vigorously defend this claim in the requested CCAA proceedings, the combination of the costs necessary to defend and resolve these proceedings, its current charitable obligations and declining revenues has rendered GFA Canada unable to meet its foreseeable obligations, and as a result, it is required to seek

- 5 -

protection under the CCAA. GFA Canada also believes that so long as this litigation remains unresolved, absent the oversight and structure afforded by a CCAA proceeding, its ability to attract donations and conduct its charitable works will be greatly diminished, and it is possible that GFA World would not survive.

10. GFA Canada requests that it be granted protection under the CCAA so that it can be given the breathing space necessary to allow it to continue its important charitable work, provide its donors with the transparency of a court-supervised process for addressing GFA Canada's issues under the supervision of a court-appointed Monitor which should help stabilize future donations, and allow it to resolve the existing and any future claims made against it in Canada whether through a consensual arrangement or otherwise.

II. GFA CANADA'S STRUCTURE AND CHARITABLE WORKS

A. GFA Canada

11. GFA Canada is a corporation constituted under the *Canada Not-for-Profit Corporations Act*, S.C. 2009, c. 23. Attached as **Exhibit "A"** is a true copy of the Federal Corporation Information of GFA Canada available through the Government of Canada.
12. The history of GFA Canada's corporate structure is as follows:
 - (a) GFA Canada, under the name Gospel for Asia, was issued Letters Patent on December 21, 1984, and its initial directors were Earl Groat, Veronica Kojima, and K.P. Yohannan. Attached hereto and marked **Exhibit "B"** is a true copy of the Letters Patent dated December 21, 1984.

- 6 -

- (b) A Certificate of Amendment was filed with Corporations Canada on March 24, 2017, effecting a name change to GFA World. I signed the Articles of Amendment on behalf of the charity. Attached hereto and marked **Exhibit “C”** is a true copy of the Articles of Amendment effective March 24, 2017.
13. In addition to being a not-for-profit corporation, GFA Canada is registered as a charity with the Canada Revenue Agency.
14. GFA Canada operates from its head quarters at 245 King Street East, Stoney Creek (Hamilton), Ontario.
15. GFA Canada’s current Board of Directors is comprised of five directors, namely, Maria Zollinger, Oskar Zollinger, Vraj Lal Raniga, Allan Jahnke, and me.
16. I am also the President of GFA Canada. Mr. Raniga is the Chair and Secretary.
17. GFA Canada receives its funding from donations made by members of the public. It typically does not receive funding through grants or any other means from any government or NGO.³ As a result, it is greatly dependent upon its reputation in the community for its ability to generate donations to sustain and fund its operations and charitable works.

³ I note that GFA Canada has applied for some relief further to certain governmental COVID-relief programs, but such programs are not related to obtaining governmental funding for charitable works *per se*.

- 7 -

B. Description of GFA Canada's Charitable Works

18. GFA Canada does not deliver charitable services directly to persons in the Field. Rather, as noted above, GFA Canada raises donations in Canada and then provides funding to BEC Asia and certain charitable trusts controlled by it, who then carries out the physical work in the Field.
19. Gospel US was founded in 1979 by Dr. K.P. Yohannan. Gospel US is headquartered in Wills Point, Texas.
20. To be clear, GFA Canada is a separate and standalone charity from Gospel US and BEC Asia – although they share certain fraternal and ecclesiastical ties, GFA Canada is a separate and autonomous entity that is not bound by any direction or supervision by Gospel US or BEC Asia. As a not-for-profit corporation, GFA Canada does not have any shareholders, but only members. GFA Canada has a separate board of directors comprising of all Canadian residents (except for me). GFA Canada's "members", who are the only ones who are allowed vote on matters required "member" approval under the applicable statute or by-laws are only the directors. Accordingly, neither Gospel US nor BEC Asia has any corporate control over GFA Canada. Moreover, since March 2020, there have been no cross appointments between the directors (and hence members) of GFA Canada and Gospel US (while I live in Texas, I do not hold any position as a director or officer in Gospel US, and I report directly to the GFA Canada's own board of directors, although I do some international development work with Gospel US). K.P. Yohannan and Daniel Punnose, both defendants in the CDN Class Action, were directors

- 8 -

of GFA until early March 2020 (Daniel Punnose resigned on March 6, 2020, and K. P. Yohannan resigned on March 7, 2020).

21. The services and programs that GFA Canada funds fall into four broad categories: (i) investing in community development; (ii) supporting children; (iii) broader compassion services, including helping families in need of care during disasters; and (iv) sponsorship of national missionaries;
 - (a) **Community Development:** Through GFA Canada's community development projects, communities are gifted items and infrastructure improvements, including animals to produce milk and eggs, sewing machines, fishing nets, vehicles, clean water wells, water filters, and toilets. With these gifts, GFA Canada's projects improve community health and provide opportunities for people to generate an income;
 - (b) **Child Sponsorship:** GFA Canada's child sponsorship program works to provide education, food, and medical care to poor children;
 - (c) **Compassionate Care Services:** GFA Canada's compassionate care services include slum ministry, leprosy ministry, medical ministry and disaster relief, supporting people who are suffering by offering support, education, healthcare, clothing, and hygiene items, particular in times of natural or other disasters; and

- 9 -

- (d) **National Missionaries:** GFA Canada funds various national missionary projects that are based upon the particular needs of the communities in these regions. Among other things, national missionaries are involved in providing religious teaching and other missionary work in keeping with the ministry traditions of Christian churches, counselling, and support to those in need in various communities.
22. Once GFA Canada has determined which work it would like to have carried out in the Field, GFA Canada provides instructions to the applicable agent in the Field as to what work is to be carried out using GFA Canada's funding, and then GFA Canada provides the funding for those projects. While the details of the processes by which GFA Canada has managed the funding of the various agents in the Field has changed over time, the general process that it has used may be described as follows:
- (a) GFA Canada collects donations for a reporting period, which historically had been for a one-month period (it is currently a three month period as a result of the decline in donations, discussed below);
 - (b) GFA Canada then advises the appropriate agent(s) of the amounts that GFA Canada had raised and how those funds should be spent on the various charitable projects;
 - (c) GFA Canada then undertakes a form of internal verification process in respect of the accounting of the donations it has received, which process could take up to three months;

- 10 -

- (d) Once the internal verification process is completed, GFA Canada advances the funds to the agent as directed, which directions depend upon the agent's own internal processes as they existed from time to time, and which GFA Canada understands changed due to various regulatory demands;
- (e) GFA Canada receives periodic status reports and confirmations from the appropriate agent(s), which GFA Canada uses to monitor and track the progress of the work being carried out and to ensure that it is completed. In some instances, all or part of the charitable work requested is completed by the agent before the funds are transferred by GFA Canada to the agent;
- (f) GFA Canada periodically send its directors to the Field to review the work that has been carried out; and
- (g) GFA Canada receives annual verifications from the agent's auditors of the work that was completed, which information is used by GFA Canada's own auditors to carry out their audit work of GFA Canada.

C. Donations to GFA Canada

- 23. GFA Canada solicits donations through various channels, including its website, mailings, and presentations in churches.

- 11 -

24. The donations are received by cheques or cash received in the mail, through online banking, or telephone or online transactions where credit card details of the donors are taken. Payments are also received through Pay-Pal and e-transfers.
25. GFA Canada's donations – its primary source of revenue – have been declining steadily since 2016, as set out in the following table:

Year	Donations
2015	\$15,830,216
2016	\$10,894,726
2017	\$9,473,609
2018	\$8,859,634
2019	\$7,697,053 ⁴

26. Attached as **Exhibit “D”** are true copies of the Audited Financial Statements of GFA Canada for the years ending 2016, 2017, and 2018, showing this decline in donations.
27. Donations have fallen even further in 2020. The total revenue received in 2020 to date, subject to review by GFA Canada's auditors, is approximately \$2,563,716. Based on that trend, GFA Canada expects its annual donations to be even lower than 2019.
28. Attached as **Exhibit “E”** is a copy of a Revenue Comparison chart, which I produced from our accounting software as of May 31, 2020. The chart clearly illustrates the decline in donations over the last number of years.

⁴ Unaudited.

- 12 -

D. GFA Canada's Key Assets and Liabilities

29. Attached as Exhibit "D" above is a copy of GFA Canada's last audited financial statements, being for the year 2018; and attached as **Exhibit "F"** is a copy of GFA Canada's most current unaudited financial statements, as of as at February 29, 2020.
30. As those financial statements show, as at February 29, 2020, GFA Canada had:
- (a) Assets with a book value of approximately \$4,718,402, including its cash and fixed assets including the land and building of \$1,040,336. However, it should be noted that given that nature of GFA Canada's assets other than its cash, land, building and loan receivable, it is likely that the realizable value of the other assets (such as computers) is less than the book value of the assets;
 - (b) As at January 23, 2020, Gospel US has an outstanding loan owed to GFA Canada of USD\$350,000 and due from US Affiliate as \$8,477.62, with accrued interest payable added to the loan during 2019 being USD\$11,559.92 (interest accrues at 3% per annum); and
 - (c) Total booked liabilities of approximately \$44,611.
31. As noted in the financial statements, GFA Canada does not have any secured creditors. Attached as **Exhibit "G"** is a copy of a search from the Ontario personal property security registration system dated June 24, 2020 showing that there are no registrations against GFA Canada.

- 13 -

32. GFA Canada is not a guarantor or surety of any third-party debt obligation.
33. GFA Canada has no sums owing to the Canada Revenue Agency.
34. It should be noted that the attached financial statements do not include the following liabilities and contingent liabilities:
 - (a) The contingent liability of \$170 million on account of the CDN Class Action;
 - (b) The costs that will be incurred to defend and resolve the CDN Class Action, even before considering any amount that may be needed to effect an early resolution of the claim;
 - (c) Potential indemnity costs to GFA Canada's present and former directors and officers on account of indemnities that they may be entitled to in connection with defending the CDN Class Action (GFA Canada's insurer has denied coverage under GFA Canada's D&O and other policies, thus leaving GFA Canada and its current and former directors and officers without insurance coverage);
 - (d) Although GFA Canada is free to use the donations it has collected for administrative and other proper expenses as determined by GFA Canada (such as expenses incurred during a CCAA proceeding), as a charity GFA Canada is required to use the funds collected for its charitable purposes to the extent possible, which means that there is an obligation

- 14 -

to pay the collected donations, subject to administrative and other expenses, to GFA Canada's agents to carry out charitable work; and

- (e) Furthermore, there are amounts owing to GFA Canada's agents in the Field for work already undertaken by them based on the instructions they received from GFA Canada. GFA Canada's agents in the Field sometimes undertake work requested by GFA Canada before GFA Canada advances the funds to them to pay for the work requested. In doing so, the agents spend their own funds to carry out the work in the expectation that it will be repaid by GFA Canada. The financial statements do not reflect the current amount owing to GFA Canada's agents for work that was requested by GFA Canada but not yet paid for.

- 35. Given its current cash position, its declining donations, and its existing and contingent obligations, GFA Canada does not have the financial wherewithal to defend, settle, and/or pay the sums sought by CDN Class Action and continue its charitable works without the protection under the CCAA, and without that protection there is a foreseeable risk that GFA Canada will not be able to meet its obligations as they become due.

E. GFA Canada's Cash Management System

- 36. GFA Canada operates three bank accounts. It has a CDN regular chequing account held at the TD Canada Trust ("**TD CDN Chequing Account**"), a USD regular chequing account held at the TD Canada Trust ("**TD US Chequing Account**"), and a CDN

- 15 -

chequing account held at the Bank of Montreal (“**BMO Chequing Account**”). All accounts were opened in branches in Hamilton, Ontario.

37. The details of the bank accounts are as follows:

Account	Account Balance (\$) (As at may 31, 2020)
BMO Chequing	\$55,914
TD CDN Chequing	\$2,774,509
TD USD Chequing	\$7,329 (USD)

38. Most of the donations made to GFA Canada are deposited into the TD CDN Chequing Account, and GFA Canada funds its operations through that account. The BMO Chequing account is used for depositing physical cash donations. The TD USD Chequing is used to pay any US based suppliers (such as its donor contact software).
39. In connection with the CCAA proceedings, GFA Canada is seeking the authority to continue to operate its banking operations to maintain the funding and banking arrangements already in place. The continued operations of the current banking arrangements will minimize disruption to GFA Canada and enable it to continue operating in the normal course. In my view, the current banking arrangements include the necessary accounting controls to enable GFA Canada to trace funds and ensure that all transactions are adequately documented and readily ascertainable.

- 16 -

40. GFA Canada currently has three company credit cards issued by TD, which are being used by three employees, namely Susan Whitman, Harvey Martens, and Kelly Petkau. The current balance on each of these cards is under \$1,200.
41. The credit cards available to these employees facilitate payment of various expenses for supplies and other miscellaneous things. This is particularly important during the COVID pandemic, when people are working remotely and more on-line purchases have to be made. I believe that, like the current banking arrangements, these corporate credit cards should continue to facilitate operations in the normal course, and are subject to accounting controls and reconciliations that enable GFA Canada to trace purchases and ensure that all purchases made on the credit cards are adequately documented and readily ascertainable.
42. GFA Canada does not have a line of credit or any other form of lending facility.

F. GFA Canada's Employees

43. As at June 25, 2020, GFA Canada had 17 full-time employees, and 2 part-time employees.
44. GFA Canada uses the services of a payroll service provider, namely, Ceridian Canada Ltd., to manage payroll functions on behalf of the company, including payroll processing and the collection and remittance of certain related source deductions.
45. Employees are paid twice monthly. GFA Canada is current with respect to the remittance of employee source deductions.

- 17 -

46. GFA Canada does not offer any group registered retirement saving plan. GFA Canada does not sponsor any registered pension plans.
47. Supplemental insurance benefits coverage is provided to its employees, subject to an initial qualifying period. Certain employees also qualify for other benefits and insurance coverage, including vision care and short-term and long-term disability insurance coverage. Employer contributions in respect of the various benefit plans are paid by GFA Canada.
48. GFA Canada presently intends to continue the ordinary course of funding and operation of the supplemental insurance program during the CCAA proceedings. The proposed Initial Order authorizes GFA Canada to make all outstanding and future employee benefit payments and all outstanding and future contributions to or payments in respect of the group insurance in the ordinary course of business and consistent with existing compensation policies and arrangements. (I note that these programs do not provide for the payment of any bonuses.)
49. The directors of GFA Canada do not receive any directors' fees or other remuneration. Nonetheless, the directors are committed to continuing to serve the CCAA proceedings, and as such may be called upon to undertake more work than they would be required to provide under normal circumstances.

- 18 -

III. CAUSES OF GFA CANADA'S FINANCIAL DIFFICULTIES

A. Decrease in Donations Due to US Litigation

50. The initial cause of the decline in GFA Canada's donations was various allegations of financial impropriety by Gospel US that started in or about 2016 or 2017, which led to Gospel US losing its accreditation with the Evangelical Council for Financial Accountability (membership and accreditation of which is voluntary) and the subsequent commencement of litigation against Gospel US and certain individuals (including me) in 2016 and 2017.
51. In 2017, a class action was commenced in the United States District Court, Western District of Arkansas against Gospel US and certain of its directors and officers (including me), which litigation was styled as *Murphy v. Gospel for Asia, Inc., et al.*, having Court File No. 5:17-CV-05035-ELW (the "US Class Action"). A copy of the Claim (without exhibits) is attached as **Exhibit "H"**.
52. Counsel in the US Class Action is Marc Stanley of Stanley Law Group, a lawyer from Texas. Mr. Stanley is listed as co-counsel on the CDN Class Action.
53. In the US Class Action, the plaintiff made a number of allegations concerning the use and accounting of donations collected by Gospel US. Gospel US denied the allegations and vigorously defended the action.
54. Following the commencement of the US Class Actions in 2016 and 2017, certain groups began posting complaints and allegations on the Internet regarding Gospel US's operations and practices. Dissent groups based out of Canada also arose in or about

- 19 -

2016, with certain individuals posting adverse views concerning GFA Canada on the Internet.

55. I, along with GFA Canada's Board of Directors, have always been of the view that the complaints and issues raised by the US Class Action and the on-line dissenters were based on a misapprehension of the facts, and that in fact many of the complaints were not based on charitable works or operations, but were based on or arose out of ecclesiastical differences.
56. GFA Canada is not immune to notoriety arising from the claims that have been made against Gospel US as a result of the US Class Action. Before GFA Canada's name changed in 2017, it too used the name "Gospel for Asia", and was impacted by the contagion of negative views and comments that arose as a result of the US Class Action.
57. The combination of the notoriety of the US Class Action and the presence of the on-line dissenters have directly impacted donations made to GFA Canada. As shown in paragraphs 25 to 28 above, donations to GFA Canada between the commencement of the US Class Action in 2016 and 2018 declined by approximately 18%.
58. The US Class Action continued for over three years. Eventually, Gospel US agreed to settle the action instead of continuing the litigation.
59. On March 9, 2019, the US District Court approved a settlement of the US Class Action. Under that settlement, Gospel US agreed to pay USD\$37,000,000 over the course of a number of payments. Gospel US did not admit any wrongdoing and the settlement

- 20 -

specifically recognizes this fact. Also, the Settlement Agreement also states that the parties agree that all the funds intended for the Field went to the Field. A copy of the settlement is attached as **Exhibit “I”**.

60. The next installment under the settlement was USD\$11,000,000 due on June 26, 2020. However, Gospel US was not able to raise sufficient donations to pay for that payment and, as a result, a consent order was entered by the US District Court varying the donations that could be used to pay for the settlement. A copy of the consent order is attached as **Exhibit “J”**.

B. CDN Class Action Against GFA Canada and COVID Crisis

61. Compounding the decline in GFA Canada’s donations caused by the US Class Action was the commencement of the CDN Class Action on February 25, 2020 and the commencement of the COVID pandemic crisis that crystalized on or about March 15, 2020.
62. Attached as **Exhibits “K”** and **“L”**, respectively, are copies of the Notice of Action and the Statement of Claim, bearing Court File No. 496980, in respect of the CDN Class Action, which was commenced in Nova Scotia.
63. Concurrent with the launching of the CDN Class Action, certain individuals associated with the claim gave media interviews that were reported in the press, publicly airing their (mistaken) complaints despite the fact that none of the allegations have been proven in Court.

- 21 -

64. At a high level, the claim alleges fraudulent misrepresentations and improper use of donated funds. GFA Canada and the other defendants vehemently deny the allegations, and believe that they are based on a fundamental misunderstanding of GFA Canada's operations, administrative challenges that arose and how they were addressed, and how GFA Canada's accounting works.
65. Since the COVID crisis crystalized in Canada on March 15, 2020, GFA Canada has not been able to engage in its normal level of activities to solicit donations, and normal day to day activities are taking longer in light of the need to social distance. I also understand from my conversations with others in the charity field that many charities that are not specifically tied to COVID-related causes are also seeing a slow down in their donations.
66. Attached as **Exhibit "M"** is a copy of a chart and graph showing the negative decline in donations since February 2020 over both the same period in 2019 and over the last couple of months with the exception of donations specifically for COVID relief and the subsequent typhoon relief in south Asia. While it is difficult to determine the individual impact that the CDN Class Action and the COVID crisis has had on the decline in donations given that both issues arose within weeks of each other, it is clear that GFA Canada has suffered a significant decline in its donations.

IV. NEED FOR CCAA PROTECTION

A. Generally

67. In light of GFA Canada's circumstances, I believe that without the benefit of CCAA protection, there could be an immediate and significant erosion in GFA Canada's

- 22 -

ongoing viability, to the detriment of GFA Canada, and its stakeholders, including its employees, creditors and, importantly, the numerous of less fortunate individuals whose lives are improved by the work that GFA Canada undertakes. With the benefit of the CCAA protection, GFA Canada will be able to address its issues while providing transparency to its stakeholders and donors, and all stakeholders will benefit from the oversight and reporting of the Monitor.

B. Protection and Use of Future Donations

68. GFA Canada's "business" is the collection and dissemination of donations. If it is not able to continue to collect donations and move them (less reasonable administration costs) into the field, its purpose as an organization is completely thwarted and its "business" would be at an end. Simply put, if GFA Canada cannot continue its "business" of collecting donations and getting to the field during the CCAA proceedings, its "value" and reputation and will be significantly and potentially irreversibly harmed, and there will in effect be no "business" to emerge from CCAA proceedings.
69. Accordingly, GFA Canada believes that it is necessary that adequate protection is provided in respect of donations received after the granting of the Initial Order ("**Post-Filing Donations**") so that donors will have the protection and assurance that, subject to normal and customary deductions for administrative expenses, the funds donated will be advanced into the field. This will allow GFA Canada to continue its current mode of operations and maintaining and strengthening its connections with its donors, and ensuring that, when coupled with GFA Canada's pre-CCAA assets, there is sufficient funding for the CCAA proceedings.

- 23 -

70. At the comeback hearing, GFA Canada will be proposing an order (the “**Post-Filing Donations Order**”) that will set out a court-approved process under which GFA Canada will work with the Monitor to ensure that the Post-Filing Donations that are received are held separate and apart from GFA Canada’s pre-filing assets, are accounted for and held in a manner that allows GFA Canada (and the Monitor) to ensure that there is sufficient direction and control in getting the funds into the Field and accountability and traceability on the use of funds in the Field, as well as monitoring and tracking of the payment of administration expenses from such Post-Filing Donations. GFA Canada is not proposing to use any Post-Filing Donations until such time as the Post-Filing Donations Order is granted.
71. GFA Canada verily believes that such an order is necessary as it expects that donations will fall off even more drastically if donors believe that their donations will simply be used to pay for a judgment in a class action, or the fees for domestic or foreign lawyers. This concern is not mere speculation, but is borne from the recent experience of Gospel US in their attempts to raise funds to pay for the settlement in the US Class Action. As noted above, pursuant to the settlement in the US Class Action, Gospel US was required to seek revised terms in the Settlement Agreement before it was able to make the payment of the \$11,000,000 required by June 25, 2020. Otherwise Gospel US was having difficulty being able to pay the required amount. GFA Canada believes that it too would see a precipitous decline in donations unless some form of Post-Filing Donations Order is granted:

- 24 -

- (a) Gospel US has a longer standing and broader donor network in the US, and thus donations in Canada would likely fall just as fast or faster;
 - (b) Gospel US did not have to address the spectre of dealing with the possibility that some of its donors' donations would go to foreign lawyers – it appears to be widely known in the community that the lawyers from Texas who ran the US Class Action, and who are listed as co-counsel in the CDN Class Action, are taking fees in excess of US\$12 million, and we expect that Canadian donors will be very concerned about donating money that will simply go to pay American lawyers' fees;
 - (c) As has been publicly reported, because Gospel US could not pay the next settlement payment solely from donations it raised expressly for general purposes, a motion was brought to amend the settlement to allow the settlement to be paid from funds that were raised in a different manner than set out in the original agreement.
72. GFA Canada expects that these factors will have a chilling effect on its ability to raise donations without the protection of a Canadian court order that directs how Post-Filing Donations received by GFA Canada are to be dealt with during the CCAA proceedings.
73. Accordingly, GFA Canada intends to bring a motion at the comeback hearing for a Post-Filing Donations Order to govern how Post-Filing Donations will be managed, segregated, accounted for and used.

- 25 -

C. Anticipated Claims Process

74. In the CDN Class Action, counsel will be seeking the certification of a Canada-wide class. However, I understand that there is nothing preventing other copycat litigation being started in other provinces, and that there is no guarantee that the CDN Class Action will in fact address the claims arising across Canada. As a result, GFA Canada remains at risk of copycat litigation that will further increase the costs and liabilities to be incurred by GFA Canada, and may frustrate its ability to address all claims against it once and for all. However, I understand that a claims process undertaken in a CCAA proceeding will be binding on all potential claimants throughout Canada. As a result, GFA Canada anticipates implementing a claims process in the CCAA proceedings that will provide the necessary finality to allow GFA Canada to address all claims against it on a full and final basis, which will also facilitate and increase the chances for an early global settlement through a plan of arrangement and compromise.

D. Other Anticipated Motions

75. GFA Canada anticipates that other motions to address certain other issues, such as insurance defence coverage in respect of the CDN Class Action, will take place within the CCAA proceedings.

- 26 -

V. RELIEF SOUGHT – PROPOSED INITIAL ORDER

A. PwC is the Proposed Monitor

76. It is proposed that PricewaterhouseCoopers Inc. (“**PwC**”) will be appointed as Monitor in the CCAA proceedings if the proposed Initial Order is issued. PwC has consented to act as the Monitor of GFA Canada. Attached as **Exhibit “N”** is a copy of PwC’s consent.
77. I have been advised by GFA Canada’s lawyers that PwC will file an initial pre-filing report with the Court as proposed Monitor in conjunction with GFA Canada’s request for relief under the CCAA.
78. In addition to other general powers, the proposed Initial Order includes powers relating to GFA Canada’s operations to enable the Monitor to oversee its cash flow and revenue stream.

A. Stay of Proceedings

79. In particular, GFA Canada is concerned about the following risks that could materialize without the benefit of the stay of proceeding and the other relief such under the CCAA:
- (a) Donations would drastically decline or cease as a result of the uncertainty caused by the CDN Class Action and the claims it is making against GFA Canada; and
 - (b) Commencement of copycat litigation elsewhere in Canada that will further exacerbate GFA Canada’s inability to defend itself properly and unnecessarily increase costs.

- 27 -

80. The stay of proceedings will stabilize and preserve the value of GFA Canada's operations and provide it with the breathing room necessary to address its challenges.
81. GFA Canada is also requesting that the stay of proceedings be extended to cover the current and former officers and directors of GFA Canada (including those who are defendants in the CDN Class Action), and Gospel US, which is also a defendant in the CDN Class Action, in respect of all litigation concerning the business and affairs of GFA Canada and any other matters concerning the collection, management and use of donations collected by GFA Canada.
82. GFA Canada believes that if the stay of proceedings is not extended to Gospel US and GFA Canada's former and current officers and directors, and the CDN Class Action is continued against those defendants, the CCAA stay in favour of GFA Canada would be rendered ineffective since GFA Canada would be forced to participate in the on-going proceedings. The Statement of Claim for the CDN Class Action does not distinguish between the misconduct alleged against GFA Canada as compared to Gospel US and the other defendants, and in fact alleges a conspiracy amongst the various defendants and claims joint and several liability. The continuation of such claims could have legal and financial consequences for GFA Canada, including claims for contribution and indemnity. Accordingly, there is no separate and severable claim that has been made against Gospel US or the current and former directors and officers that could proceed without involving GFA Canada.

- 28 -

83. Similarly, the stay of proceedings needs to cover any similar types of claims that might be raised against GFA Canada. As noted elsewhere herein, GFA Canada intends to structure a claims process to address all such claims against GFA Canada so that all such matters can be determined with finality, so that GFA Canada can emerge from the CCAA proceedings with its focus directed to helping those in need in its catchment area.
84. Moreover, given that the claim related to the CDN Class Action will need to be dealt with in the CCAA proceedings, it would be a waste of judicial resources and risk inconsistent findings if the stay is not extended over the other defendants in the CDN Class Action and the current and former officers and directors of GFA Canada. There would be different proceedings proceeding at different times regarding the very same facts.
85. Furthermore, as noted below, GFA Canada anticipates bringing a claims process that will address all claims regarding fraudulent misrepresentation and misuse of donations across Canada so that all such issues can be dealt with once and for all, all within one proceeding, so that GFA Canada can emerge from the CCAA proceedings.
86. GFA Canada understands that Gospel US and possibly certain of the individual defendants may determine to bring a jurisdictional challenge to the CDN Class Action on the basis that Canadian courts do not have jurisdiction over the claim as against them. I am advised by Gospel US that in such case, Gospel US and any such individual defendants may determine to bring such motion within the CCAA proceedings.
87. GFA Canada believes that extending the stay of proceedings as against Gospel US and the current and former officers and directors of GFA Canada would also assist in

- 29 -

facilitating a potential resolution of the dispute in the event the Court finds that it has jurisdiction over Gospel US, and I understand that the CCAA Court has the ability to approve and give effect to such arrangements.

B. Financing CCAA Proceedings

88. Based on its current cash reserves, GFA Canada believes that it will have sufficient cash on hand and from future revenue to fund the administration costs of the CCAA proceedings. GFA Canada is of the view that all of its current funds are available for use to pay administrative costs, including the costs arising in connection with the CCAA proceedings. Accordingly, it does not anticipate at this time seeking any form of debtor-in-possession financing.
89. GFA Canada, with the assistance of PwC, has prepared a 13-week cash flow projection, as required by the CCAA. A copy of the cash flow projections is attached as **Exhibit “O”** to this Affidavit.
90. The cash flow projection demonstrates that GFA Canada can continue operations during that period. It should be noted that the cash flow indicates that no donations will be moved into the field during the 13-week period shown in the cash flow projection. This is the result of (i) the normal timing periods between GFA Canada’s receipt of donations and moving it into the field; and (ii) the increased administrative costs needed to fund the CCAA proceedings and professional costs caused by the commencement of the CDN Class Action. As discussed elsewhere in this affidavit, GFA Canada intends to seek

- 30 -

certain relief on the 10-day comeback motion to address the management and use of future donations received by GFA Canada during the CCAA proceedings.

C. Ongoing Payment of Certain Expenses

91. The Applicant is seeking the authorization to pay certain expenses, whether incurred prior to or after the date of the Initial Order, with the Monitor's consent, in respect of:

- (a) All outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, vision, life insurance and similar benefit plans or arrangements), vacation pay, salary continuance, and expenses in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses;
- (b) The fees and disbursements of any Assistants (as defined in the Initial Order) retained or employed by GFA Canada;
- (c) With the consent of the Monitor, payments to be made to all providers of utilities, internet and other technology, including e-commerce providers and related services, in addition to any other third party supplier if such payment is necessary, in the opinion of GFA Canada, to maintain the uninterrupted operations of its business.

- 31 -

92. GFA Canada is also seeking the authority to pay all reasonable expenses incurred in carrying on its operations in the ordinary course after the date of the Initial Order, including expenses and capital expenditures reasonably necessary for the preservation of GFA Canada's land and building and payment for goods and services supplied to the Applicant during the CCAA proceedings.
93. The authority to make the foregoing payments is necessary for the continued operation of GFA Canada during the CCAA proceedings. GFA Canada believes that it is in the best interests of its stakeholders, including those who are in need of GFA Canada's charitable services, that it has the authority to continue to pay these expenses in the normal course, regardless of whether such expenses were incurred prior to, on, or after the date of the Initial Order with the Monitor's consent.

D. Monitor and Administration Charges

94. It is contemplated that a Court-ordered charge over GFA Canada's assets would be granted in favour of the Monitor, counsel to the Monitor, and all Canadian counsel to the Applicant and their agents to secure the payment of their professional fees and disbursements (incurred at their standard rates and charges and on the terms set forth in their respective engagement letters, whether incurred prior to, on or after the date of the Initial Order (the "**Administration Charge**").
95. The proposed Administration Charge is in the aggregate of \$150,000. All of the beneficiaries of the Administration Charge have contributed, and will continue to contribute, to GFA Canada's restructuring efforts.

- 32 -

E. Directors' Charge

96. The directors and officers of GFA Canada have been actively involved in efforts to address the current circumstances of its business, including the CDN Class Action and the review and considerations of GFA Canada's current financial circumstances and options, development of its stakeholder communications strategy and the preparation for and commencement of these proceedings.
97. The directors and officers, including me, have been mindful of their duties with respect to their supervision and guidance of GFA Canada in advance of these CCAA proceedings. Nonetheless, it is my understanding that in certain circumstances, directors and officers can be held personally liable for certain corporate obligations, including in connection with salary and wages, payroll remittances, vacation pay, termination and severance obligations, harmonized sales taxes, goods and services taxes, workers compensation remittances, and certain other corporate obligations. Furthermore, I understand it may be possible for directors and officers of a corporation to be held personally liable for certain other employee-related obligations.
98. GFA Canada maintains a policy of insurance for, among other things, directors and officers. This policy insures directors and officers for certain claims that may arise against them in their capacity as directors and/or officers or in a fiduciary capacity. However, the policy contains exclusions and limitations to the coverage provided. Further, as the policy provides insurance coverage for the directors and officers of GFA Canada there is the potential for coverage limits to be exhausted in light of the CDN Class Action, although I note that the insurer has denied coverage.

- 33 -

99. The directors and officers have expressed their desire for certainty with respect to potential personal liability if they continue in their current capacity. In order to continue to operate GFA Canada in the ordinary course during the CCAA proceedings, GFA Canada requires the active and committed involvement of its officers and directors.
100. Accordingly, the Applicant requests a Court-ordered charge in the amount of \$75,000 over GFA Canada's assets to secure the indemnity of the directors and officers in the Initial Order in respect of liabilities they may incur during the CCAA proceedings in their capacities as directors and officers. The charge would not extend to any liability in connection with the CDN Class Action. The amount of the charge has been calculated by GFA Canada, with the assistance of PwC as proposed Monitor, based on the estimated exposure of the directors and officers and has been reviewed with the Monitor. The proposed charge would apply only to the extent that the directors and officers do not have coverage under the insurance policy (the "**Directors' Charge**").

F. Priority of Charges

101. It is contemplated that the priorities of the various priority charges granted in the Initial Order (collectively, the "**Charges**"), as among them, will be as follows:
- (a) First – the Administration Charge; and,
 - (b) Second – the Directors' Charge.
102. The Initial Order sought by GFA Canada provides for the Charges to rank in priority to all other security interests, trusts, liens, charges, encumbrances of secured creditors,

- 34 -

statutory or otherwise (collectively, the “**Encumbrances**”) in favour of any person, notwithstanding the order of perfection or attachment, other than (a) any validly perfected security interests under a PPSA that was not served with notice of the Application, or (b) statutory super-priority deemed trusts or liens for unpaid employee source deductions. The proposed Initial Order authorizes the Applicant to seek an Order granting priority of the Charges ahead of all or certain other Encumbrances on the comeback motion in these proceedings.

103. GFA Canada believes the amount of the Charges is fair and reasonable in the circumstances.

VI. CONCLUSION

104. As a result of the fact that GFA Canada does not have the sufficient assets to pay the existing and contingent liabilities, and its inability to meet the liabilities that will be accruing to both fund its defence and any resolution of the CDN Class Action and satisfy its obligations to fund charitable purposes, GFA Canada has been forced to bring this Application for protection under the CCAA.

- 35 -

105. The breathing room afforded by the CCAA will enable GFA Canada to continue to operate in the ordinary course and will provide operational transparency, which is critical for the sake of GFA Canada and its stakeholders, including its donors, its employees, creditors, and importantly, the many individuals who are in need of and whom benefit from GFA Canada's services.

SWORN before me at Wills Point, in
the State of Texas this 25th day of
June, 2020

)
)
)
)

A Commissioner, etc.

7069014

JASON WADDEN: 46757m
(Witness via Zoom Video Conference)



Pat Emerick

Exhibit A

This is **Exhibit "A"** referred to
in the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.



Government
of Canada

Gouvernement
du Canada

[Home](#) → [Innovation, Science and Economic Development Canada](#)

→ [Corporations Canada](#) → [Search for a Federal Corporation](#)

Federal Corporation Information - 180321-2

Order copies of corporate documents

i Note

This information is available to the public in accordance with legislation
(see [Public disclosure of corporate information](#)).

Corporation Number

180321-2

Business Number (BN)

107441834RC0001

Corporate Name

GFA World

Status

Active

Governing Legislation

Canada Not-for-profit Corporations Act - 2014-05-15

Registered Office Address

245 KING ST. EAST
STONE CREEK ON L8G 1L9
Canada

Note

Active NFP Act corporations are required to update this information. Changes are only legally effective when filed with Corporations Canada. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 3

Maximum 9

MARIA ZOLLINGER
10245 HYNDMAN ROAD
MOUNTAIN ON K0E 1S0
Canada

OSKAR ZOLLINGER
10245 HYNDMAN ROAD
MOUNTAIN ON K0E 1S0
Canada

VRAJ LAL RANIGA
35 BRISTOW CREEK DRIVE
ELMIRA ON N3B 3K6
Canada

ALLAN JAHNKE
511 DENNIS STREET
HERBERT SK S0H 2A0
Canada

Pat Emerick
1015 St. James Avenue
Wills Point TX 75169
United States

i Note

Active NFP Act corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)

05-15

Date of Last Annual Meeting

2019-06-10

Annual Filing Period (MM-DD)

05-15 to 07-14

Type of Corporation

Soliciting

Status of Annual Filings

2020 - Not due

2019 - Filed

2018 - Filed

Corporate History

Corporate Name History

1984-11-19 to 2017-03-24

GOSPEL FOR ASIA

2017-03-24 to Present

GFA World

Certificates and Filings

Certificate of Continuance

2014-05-15

Previous jurisdiction: Canada Corporations Act - Part II (CCA-II)

By-laws

Received on 2016-02-26

Certificate of Amendment :

2017-03-24

Amendment details: Corporate name

* Amendment details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.
For more information, [contact Corporations Canada](#).

[Order copies of corporate documents](#)[Start New Search](#)[Return to Search Results](#)**Date Modified:**

2020-04-02

Exhibit B

This is **Exhibit "B"** referred to
in the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.



Consumer and
Corporate Affairs Canada
Canada
Corporations Act

Consommation
et Corporations Canada
Loi sur les
corporations canadiennes

180321

52

C A N A D A

LETTERS PATENT

WHEREAS an application has been filed to incorporate a corporation under the name

GOSPEL FOR ASIA

THEREFORE the Minister of Consumer and Corporate Affairs by virtue of the powers vested in him by the Canada Corporations Act, constitutes the applicants and such persons as may hereafter become members in the corporation hereby created, a body corporate and politic in accordance with the provisions of the said Act. A copy of the said application is attached hereto and forms part hereof.

Date of Letters Patent - November 19, 1984

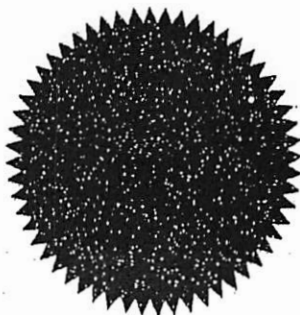
GIVEN under the seal of office of the Minister of Consumer and Corporate Affairs.

for the Minister of Consumer
and Corporate Affairs

RECORDED 21st December, 1984

Film 528 Document 91

David D. Kirchmayer
Deputy Registrar General of Canada



Canada

to the Minister of Consumer and Corporate Affairs of Canada

I

The undersigned hereby apply to the Minister of Consumer and Corporate Affairs for the grant of a charter by Letters Patent constituting the undersigned, and such other as may become members of the Corporation thereby created, a body corporate and politic under the name of

GOSPEL FOR ASIA

The undersigned have satisfied themselves and are assured that the proposed name under which incorporation is sought is not the same or similar to the name under which any other company, society, association or firm in existence, is carrying on business in Canada or is incorporated under the laws of Canada or any province thereof or so nearly resembles the same as to be calculated to deceive and that it is not a name which is otherwise on public grounds objectionable.

II

The applicants are individuals of the full age of twenty-one years with power under law to contract. The name, the place of residence and the calling of each of the applicants are as follows:

EARL GROAT

154 Mill Street North,
Waterdown, Box 740,
Ontario, Canada LOR 2H0
Insurance Broker

VERONICA KOJIMA

810 Ladner Street,
New Westminster, B. C.
Canada V3L 4W4
School Teacher

KADAPPILARIL PUNNOSE YOHANNAN

1438 Lincoln Drive,
Carrollton, Texas 75006
U.S.A.
Minister

The said EARL GROAT, VERONICA KOJIMA and KADAPPILARIL PUNNOSE YOHANNAN will be the first directors of the Corporation.

III

The objects of the Corporation are:

1. To disseminate, teach and preach the Gospel of Jesus Christ and thus fulfil the supreme commission of our Lord that His Gospel should be preached in all the world for a witness among all nations.

- 2 -

2. To accomplish the aforementioned objectives by communicating through radio broadcasting, audio-visual materials, literature, leadership training, the provision of material assistance and other means, the Gospel of the Lord Jesus Christ; particularly through national missionaries.

IV

The operations of the Corporation may be carried on throughout Canada and elsewhere.

V

The place within Canada where the head office of the Corporation is to be situated is:

The Township of Flamborough in the Regional Municipality of Hamilton-Wentworth and the Province of Ontario.

VI

It is specially provided that in the event of dissolution or winding-up of the Corporation all its remaining assets after payment of its liabilities shall be distributed to one or more recognized charitable organizations in Canada.

VII

In accordance with Section 65 of the Canada Corporations Act, it is provided that, when authorized by by-law, duly passed by the directors and sanctioned by at least two-thirds of the votes cast at a special general meeting of the members duly called for considering the by-law, the directors of the Corporation may from time to time

- (a) borrow money upon the credit of the Corporation;
- (b) limit or increase the amount to be borrowed;
- (c) issue debentures or other securities of the Corporation;
- (d) pledge or sell such debentures or other securities for such sums and at such prices as may be deemed expedient; and
- (e) secure any such debentures, or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the corporation, and the undertaking and rights of the Corporation.

Any such by-law may provide for the delegation of such powers by the directors to such officers or directors of the Corporation to such extent and in such manner as may be set out in the by-law.

Nothing herein limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

VIII

The by-laws of the Corporation shall be those filed with the application for Letters Patent until repealed, amended, altered or added to.

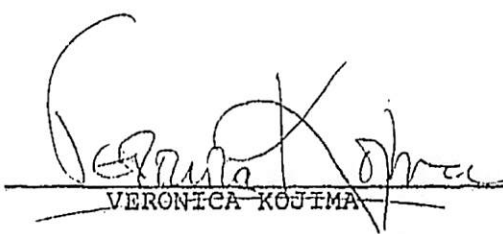
IX

The Corporation is to carry on its operations without pecuniary gain to its members and any profits or other accretions to the Corporation are to be used in promoting its objects.

DATED at City of Hamilton, in the Regional Municipality of
Hamilton-Wentworth this 12th day of November, 1984.


EARL GROAT


KADAPPILARIL PUNNOSE YAHANNAN


VERONICA KOJIMA

PROPOSEDBY-LAW NUMBER 1

A by-law relating generally to the transaction of the business and affairs of

DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS MINISTRE DE LA CONSOMMATION ET DES ORGANISATIONS	
21	NOV 19 1984 21
TO A	
THE GOVERNOR	
CHG'D TO REMARK A	

GOSPEL FOR ASIA

BE IT ENACTED as a By-law of

GOSPEL FOR ASIA

HEAD OFFICE

1. The head office of the Township of Plamborough, in the Regional Municipality of Hamilton-Wentworth in the Province of Ontario, and at such place therein as the directors may from time to time determine.

SEAL

2. The seal, an impression whereof is stamped in the margin hereof, shall be the corporate seal of the Corporation.

BOARD OF DIRECTORS

3. The affairs of the Corporation shall be managed by a board of three directors, each of whom at the time of his election or within 10 days thereafter and throughout his term of office shall be a member of the Corporation. Each director shall be elected to hold office until the first annual meeting of the members after he shall have been elected or until his successor shall have been duly elected and qualified. The whole board shall be retired at each annual meeting of the members but shall be eligible for re-election if otherwise qualified. The election may be by a show of hands unless a ballot be demanded by any member.

4. The office of director shall be automatically vacated:

- (a) if a director shall resign his office by delivering a written resignation to the Secretary of the Corporation;
- (b) if he is found to be a lunatic, or becomes of unsound mind;
- (c) If at a special meeting of the members of the Corporation called for the purpose, a resolution is passed by at least three-quarters (3/4) of the members present at the meeting that he be removed from office;

- 2 -

(d) on death;
and upon a person ceasing to be a director he shall be deemed thereupon to have ceased to be a member of the Corporation; provided that if any vacancy shall occur for any reason in this paragraph contained, the directors may by resolution fill the vacancy and, if at any time the permitted number of directors is increased, a vacancy or vacancies to the number of the authorized increase shall thereby be deemed to have occurred which may be filled in the manner provided in this paragraph.

QUORUM AND MEETINGS, BOARD OF DIRECTORS

5. A majority of the directors shall form a quorum for the transaction of business. Except as otherwise required by law, the board of directors may hold its meetings at such place or places as it may from time to time determine. No formal notice of any such meeting shall be necessary if all the directors are present, or those absent have signified their consent to the meeting being held in their absence. Directors meetings may be formally called by the President or by the Secretary on direction of the President or by the Secretary on direction in writing of two directors. Notice of such meeting shall be delivered, telephoned or telegraphed to each director not less than ten days before the meeting is to take place. The statutory declaration of the Secretary or President that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The board may appoint a day or days in any month or months for regular meetings at an hour to be named and of such regular meeting no notice need be sent. A directors meeting may also be held, without notice, immediately following the annual meeting of the Corporation. The directors may consider or transact any business either special or general at any meeting of the board.

ERRORS IN NOTICE, BOARD OF DIRECTORS

6. No error or omission in giving such notice for a meeting of directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any director may at any time waive notice of any such meeting and may ratify and approve of any or all proceedings taken or had thereat.

VOTING, BOARD OF DIRECTORS

7. Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality

- 3 -

of votes, the President in addition to his original vote, shall have a second or casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any director present, but if no demand be made, the vote shall be taken the usual way by assent or dissent. A declaration by the President that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. In the absence of the President his duties may be performed by the Secretary or such other director as the board may from time to time appoint for such purpose.

POWERS

8. The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally may exercise all such other powers and do all such other acts and things as the corporation is by its charter or otherwise authorized to exercise and do.

Without in any way derogating from the foregoing, the directors are expressly empowered, from time to time, to purchase, lease or otherwise acquire, alienate, sell, exchange or otherwise dispose of shares, stocks, rights, warrants, options and other securities, lands, buildings, and other property, moveable or immovable, real or personal or any right or interest therein owned by the Corporation for such consideration and upon such terms and conditions as they may deem advisable.

REMUNERATION OF DIRECTORS

9. The directors shall receive no remuneration for acting as such.

OFFICERS OF CORPORATION

10. The officers of the Corporation shall be a President, Secretary, Treasurer or Secretary-Treasurer and such other officers as the Board of Directors may by resolution determine. The President, Secretary, Treasurer or Secretary-Treasurer, shall each be elected by the Board of Directors from among their number at the first meeting of the Board of Directors. Provided that in default of such election, the then incumbents or members of the Corporation shall

- 4 -

hold office until their successors are elected. The other officers of the Corporation need not be members of the board and in the absence of written agreement to the contrary, the employment of all officers shall be during the pleasure of the board. The terms of employment and remuneration of an officer shall be settled from time to time by the board.

President

11. The President shall, when present, preside at all meetings of the Board of Directors; shall have power to call meetings of the Board of Directors; to appoint committees of the Board of Directors and shall be answerable only to the Board of Directors.

Secretary

12. The Secretary shall be clerk of the Board of Directors; he shall attend all sessions of the Board of Directors and record all facts and minutes of all proceedings in the book kept for that purpose. He shall give all notices required to be given to members of the Board of Directors; he shall be the custodian of all books, papers, records and corporate seal belonging to the Corporation which he shall deliver only when authorized by resolution of the Board of Directors to do, and to such person or persons as may be named in such resolution; and he shall perform such other duties as may from time to time be determined by the Board of Directors. The Secretary shall make service and publication of all notices that may be necessary or proper without command or direction from anyone. In the case of absence, inability or refusal or neglect of the Secretary to make service or publication of any notice, then such notice may be served and published by any person thereunto authorized by him or by the Board of Directors.

Treasurer

13. The Treasurer shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of accounts and shall deposit all monies or other available effects in the name and to the credit of the Corporation in such bank or banks as may from time to time be designated by the board; he shall disburse the funds of the Corporation under the direction of the Board of Directors, taking proper vouchers therefor, or whenever required of him, on account of all his transactions as Treasurer, and of the financial position of the Corporation. He shall also perform such other duties as may from time to time be determined by the Board of Directors.

-5-

Other Officers, Attornies and Agents

14. The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board of Directors requires of them.

15. The directors shall have power from time to time to appoint agents or attornies for the Corporation in or out of Canada with such powers of management or otherwise (including the power to sub-delegate as may be thought fit.

EXECUTIVE COMMITTEE

16. The Board of Directors may at any time elect from among the directors an Executive Committee, and thereupon shall designate a Chairman of the Executive Committee to serve during the pleasure of the Board of Directors. The Board of Directors shall fill vacancies in the Executive Committee by election from the directors and at all times it shall be the duty of the Board of Directors to keep the membership of such Committee full. All action by the Executive Committee shall be reported to the Board of Directors at its next meeting succeeding such action and shall be subject to revision or alteration by the Board of Directors. The Executive Committee shall fix its own rules of procedure and shall meet where and as provided by such rules or by resolution of the Board of Directors, but in every case the presence of a majority shall be necessary to constitute a quorum.

17. During the intervals between the meetings of the Board of Directors, the Executive Committee shall possess and may exercise all the powers of the Board of Directors in the management and direction of all the business and affairs of the Corporation in such manner as the Executive Committee shall deem best in the interest of the Corporation in all cases in which specific direction shall not have been given by the Board of Directors. During the intervals between the meetings of the Executive Committee, the Chairman of the Executive Committee shall possess and may exercise such powers vested in the Executive Committee as from time to time may be conferred upon him by resolution of the Executive Committee.

EXECUTION OF DOCUMENTS, BANKING ETC.

18. All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the board of Directors and any one of such officers or agents may alone endorse notes and drafts for collection on account of the Corporation through its bankers and endorse notes and cheques for deposit with the Corporation's bankers for the credit of the Corporation, or the same may be endorsed "for collection" or "for deposit" with the bankers of

-6-

the Corporation by using the Corporation's rubber stamp for the purpose. Any one of such officers or agents so appointed may arrange, settle, balance and certify all books and accounts between the Corporation and the Corporation's bankers and may receive all paid cheques and vouchers and sign all the bank's forms or settlement of balances and release or verification slips.

19. Deeds, transfers, licenses, contracts and engagements on behalf of the Corporation shall be signed by either the President and by the Secretary or Treasurer and the Secretary shall affix the seal of the Corporation to such instruments as require the same.

Contracts in the ordinary course of the Corporation's operations may be entered into on behalf of the Corporation by the President, Secretary, Treasurer or by any person authorized by the board.

The President, the directors, Secretary or Treasurer, or any one of them or any person or persons from time to time designated by the board of directors may transfer any and all shares, bonds, or other securities from time to time standing in the name of the Corporation in its individual or any other capacity or as trustee or otherwise and may accept in the name and on behalf of the Corporation transfers of shares, bonds and other securities from time to time transferred to the Corporation, and may affix the corporate seal to any such transfers or acceptances of transfers, and may make, execute and deliver under the corporate seal any and all instruments in writing necessary or proper for such purposes, including the appointment of any attorney or attorneys to make or accept transfers of shares, bonds or other securities on the books of any company or corporation.

Notwithstanding any provisions to the contrary contained in the by-laws of the Corporation, the board of directors may at any time by resolution direct the manner in which, and the person or persons by whom, any particular instrument, contract or obligations of the Corporation may or shall be executed.

BOOKS AND RECORDS

20. The directors shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute or law are regularly and properly kept.

MEMBERSHIP

21. The membership shall consist of the applicants for the incorporation of the Corporation and such other individuals and such corporations, partnerships and other legal entities as are admitted as members by the members of

-7-

the Corporation by means of a majority vote at a meeting of the members or by unanimous written consent of the members and shall be limited to persons adhering to the religious principles and beliefs as set out in the Statement of Faith hereinafter contained.

Members may resign by resignation in writing which shall be effective upon acceptance thereof by members of the Corporation.

In case of resignation, a member shall remain liable for payment of any assessment or other sum levied or which became payable by him to the Corporation prior to acceptance of his resignation.

Each member in good standing shall be entitled to one vote on each question arising at any special or general meeting of the members. Corporation, partnerships and other legal entities may vote through a duly authorized proxy.

Each member shall promptly be informed by the Secretary of his admission as a member. Any member may be required to resign by a vote of three-quarters (3/4) of the members at an annual meeting.

DUES

22. There shall be no dues or fees payable by members except such, if any, as shall from time to time be fixed by unanimous vote of the board of directors, which vote shall become effective only when confirmed by a vote of the members at an annual or other general meeting.

The Secretary shall notify the members of the dues or fees at any time payable by them and, if any are not paid within 30 days of the date of such notice, the members in default shall thereupon automatically cease to be members of the Corporation, but any such members may on payment of all unpaid dues or fees be reinstated by unanimous vote of the board of directors.

ANNUAL AND OTHER MEETINGS OF MEMBERS

23. The annual or any other general meeting of the members shall be held at the head office of the Corporation or elsewhere in Canada as the board of directors may determine and on such day as the said directors shall appoint.

At every annual meeting, in addition, to any other business that may be transacted, the report of the directors, the financial statement and the report of the auditors shall be presented and a board of directors elected and auditors appointed for the ensuing year and the remuneration of the auditors shall be fixed. The members may consider and transact any business either special or general without any

-8-

notice thereof at any meeting of the members. The board of directors or the President shall have power to call at any time a general meeting of the members of the Corporation. No public notice or advertisement of members' meetings, annual or general, shall be required, but notice of the time and place of every such meeting shall be given to each member by sending the notice by prepaid mail or telegraph, ten days before the time fixed for the holding of such meeting. A meeting of members may be held at any time without notice if all the members entitled to vote therein are present in person or represented by proxy or of those not present or represented by proxy waive notice of, or otherwise consent to, such meeting being held, and at such meeting any business may be transacted which the Corporation at an annual or special meeting of the members may transact.

ERROR OR OMISSION IN NOTICE

24. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending the notice to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be his last address recorded on the books of the Corporation.

ADJOURNMENT

25. Any meetings of the Corporation or of the directors may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

QUORUM OF MEMBERS

26. A quorum for the transaction of business at any meeting of members shall consist of not less than two members present in person or represented by proxy; provided that in no case can any meeting be held unless there are two members present in person.

VOTING OF MEMBERS

27. Subject to the provisions, if any contained in the Letters Patent of the Corporation, each member of the Corporation shall at all meetings of the members be entitled to one vote and he may vote by proxy. Such proxy must be a member

-9-

and before voting shall produce and deposit with the Secretary sufficient proof of appointment in writing. No member shall be entitled either in person or by proxy to vote at meetings of the Corporation unless he has paid all dues or fees, if any, then payable by him.

At all meetings of members every question shall be decided by a majority of the votes of the members present in person or represented by proxy unless other wise required by the by-laws of the Corporation, or by law. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any members. Upon a show of hands, every member having voting rights shall have one vote, and unless a poll be demanded a declaration by the President that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes accorded of or against such resolution. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn the question shall be decided by a majority of votes given by the members present in person or by proxy, and such poll shall be taken in such manner as the President shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the President shall be entitled to a second or casting vote.

AUDITORS

28. The members shall at each annual meeting appoint an auditor to audit the account of the Corporation to hold office until the next annual meeting provided that the directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor shall be fixed by the board of directors.

FINANCIAL YEAR

29. Unless otherwise ordered by the board of directors, the fiscal year of the Corporation shall terminate on the 31st day of December in each year.

DEPOSIT OF SECURITIES FOR SAFEKEEPING

30. The securities of the Corporation shall be deposited for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the board of directors. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation signed by such officer or officers, agent or

-10-

agents of the Corporation, and in such manner, as shall from time to time be determined by resolution of the board of directors and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of the board of directors shall be fully protected in acting in accordance with the directions of the board of directors and shall in no event be liable for the duly application of the securities so withdrawn from deposit or the proceeds thereof.

NOTICE

31. Whenever under the provisions of the by-laws of the Corporation, notice is required to be given, such notice may be given either personally or telegraphed or by depositing same in a post office or a public letter-box, in a prepaid, sealed wrapper addressed to the director, officer or member at his or their address as the same appears on the books of the Corporation. A notice or other document so sent by post shall be held to be sent at the time when the same was deposited in a post office or public letter-box as aforesaid, or if telegraphed shall be held to be sent when the same was handed to the telegraph company or its messenger. For the purpose of sending any notice the address of any member, director or officer shall be his last address as recorded on the books of the Corporation.

AMENDMENT OF BY-LAWS

32. By-laws of the Corporation may be enacted and the By-laws repealed or amended by By-law enacted, by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least two-thirds (2/3) of the members at a meeting duly called for the purpose of considering the said By-law provided that the enactment, repeal or amendment of such By-law shall not be enforced or acted upon until approval of the Minister has been obtained.

BORROWING

33. The directors may from time to time

- (a) borrow money on the credit of the Corporation; or
- (b) issue, sell or pledge securities of the Corporation; or
- (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debts, or any other obligation or liability of the Corporation.

-11-

From time to time the directors may authorize any director, officer or employee of the Corporation or any other person to make arrangements with reference to the moneys borrowed or to be borrowed as aforesaid and as to the terms and conditions of the loan thereof, and as to the securities to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional securities for any moneys borrowed or remaining due the Corporation as the directors may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

INTERPRETATION

34. In these by-laws and in all other by-laws of the Corporation hereafter passed unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa and references to persons shall include firms and corporations.

STATEMENT OF FAITH

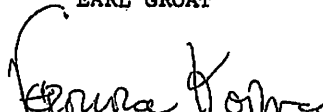
38. The Corporation shall continue and steadfastly uphold and maintain the following Statement of Faith of the Corporation, to wit:

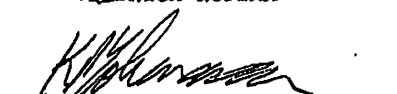
- I. We believe the Bible to be the inspired, the only infallible authoritative word of God.
- II. We believe that there is one God eternally existent in three persons: Father, Son and Holy Spirit.
- III. We believe in the deity of our Lord Jesus Christ, in His virgin birth, in His sinless life, in His miracles, in His vicarious and atoning death through His shed blood, in His bodily resurrection, in His ascension to the right hand of the Father, and in His personal return in power and glory.
- IV. We believe that for the salvation of lost and sinful man regeneration by the Holy Spirit is absolutely essential.
- V. We believe in the present ministry of the Holy Spirit by whose indwelling the Christian is enabled to live a Godly life.
- VI. We believe in the resurrection of both the saved and lost; they that are saved unto the resurrection of life and they that are lost unto the resurrection of damnation.
- VII. We believe in the spiritual unity of believers in Christ.

-12-

The aforesaid doctrinal statement, being basic to the spiritual foundation of this Corporation, shall not be altered in any manner. New articles may be added to this Statement of Faith only by the unanimous vote of the total membership of the Corporation.



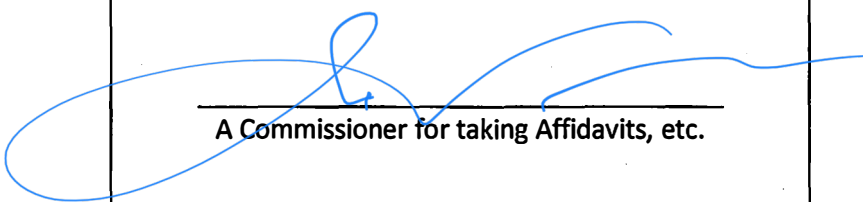
EARL GROAT

VERONICA KOJIMA

KADAPPILARIL PUNNOSE YOHANNAN

Exhibit C

This is Exhibit "C" referred to
in the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.



Innovation, Science and
Economic Development Canada
Innovation, Sciences et
Développement économique Canada
Corporation Canada

Innovation, Sciences et
Développement économique Canada
Corporation Canada

Certificate of Amendment

Canada Not-for-profit Corporations Act

Certificat de modification

*Loi canadienne sur les organisations à but non
lucratif*

GFA World

Corporate name / Dénomination de l'organisation

180321-2

Corporation number / Numéro de
l'organisation

I HEREBY CERTIFY that the articles of the
above-named corporation are amended under
section 201 of the *Canada Not-for-profit
Corporations Act*, as set out in the attached
articles of amendment.

JE CERTIFIE que les statuts de l'organisation
susmentionnée sont modifiés aux termes de
l'article 201 de la *Loi canadienne sur les
organisations à but non lucratif*, tel qu'il est
indiqué dans les clauses modificatrices ci-
jointes.

Virginie Ethier

Director / Directeur

2017-03-24

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



Canada Not-for-profit Corporations Act (NFP Act)
Form 4004
Articles of Amendment

1 - Corporate name

Gospel for Asia

2 - Corporation number

1, 8, 0, 3, 2, 1, -, 2

3 - The articles are amended as follows: (complete all applicable sections)

A - The corporation amends its name to:

GFA World

B - The corporation amends the province or territory in Canada where the registered office is situated to:

C - The corporation amends the number of directors to: (for a fixed number, indicate the same number in both boxes)

Minimum number

Maximum number

D - Other amendments, please specify:

4 - Declaration

I hereby certify that I am a director or an authorized officer of the corporation.

Signature:


Print name: Pat Emerick

Phone Number: 905-662-5095

Note: A person who makes, or assists in making, a false or misleading statement is guilty of an offence and liable on summary conviction to a fine of not more than \$5,000 or to imprisonment for a term of not more than six months or to both (subsection 262(2) of the NFP Act).

Exhibit D

This is Exhibit "D" referred to in
the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

GFA WORLD (FORMERLY GOSPEL FOR
ASIA) >

financial statements

>YEAR ENDED DECEMBER 31, 2016

MAC LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>

financial statements

>YEAR ENDED DECEMBER 31, 2016

index

Independent auditor's report.....	I - 2
Statement of financial position.....	3
Statement of operations and changes in fund balances	4
Statement of cash flows.....	5
Notes to financial statements.....	6 - 9



INDEPENDENT AUDITOR'S REPORT

To the Directors of GFA World (formerly Gospel for Asia):

Report on the Financial Statements

We have audited the accompanying financial statements of GFA World (formerly Gospel for Asia), which comprise the statement of financial position as at December 31, 2016, and the statements of operations and changes in fund balances, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian accounting standards for not-for-profit organizations. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of GFA World (formerly Gospel for Asia) as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

MAC LLP.

Waterloo, Ontario
June 13, 2017

LICENSED PUBLIC ACCOUNTANTS
CHARTERED PROFESSIONAL ACCOUNTANTS

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>
**statement of
financial position**

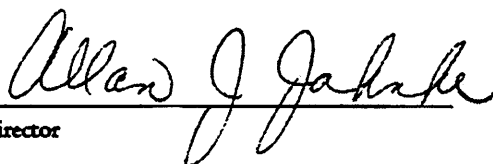
>DECEMBER 31, 2016

	2016	2015
assets		
current		
Cash	\$ 3,443,745	\$ 4,844,840
Other investments	296,459	311,415
Government remittances recoverable	40,836	110,325
Inventory (Note 3)	98,092	98,303
Prepaid expenses	43,824	32,327
Loan receivable (Note 4)	480,606	-
Due from affiliate (Note 5)	<u>6,193</u>	<u>3,006</u>
	4,409,755	5,400,216
capital assets (Note 6)	<u>1,066,418</u>	<u>1,108,920</u>
	<u>\$ 5,476,173</u>	<u>\$ 6,509,136</u>
liabilities		
current		
Accounts payable and accrued liabilities	\$ <u>56,919</u>	\$ <u>45,577</u>
contingency (Note 8)		
fund balances		
general fund	1,226,497	1,409,198
restricted fund	3,126,339	3,945,441
capital assets	<u>1,066,418</u>	<u>1,108,920</u>
	<u>5,419,254</u>	<u>6,463,559</u>
	<u>\$ 5,476,173</u>	<u>\$ 6,509,136</u>

Approved on behalf of the board:



Director



Director

13-JUNE, 2017

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>

statement of operations and changes in fund balances

>YEAR ENDED DECEMBER 31, 2016

	general fund	restricted fund	capital asset fund	2016 total	general fund	restricted fund	capital asset fund	2015 total
revenue								
Contributions	\$ 1,667,590	\$ 9,195,584	\$ -	\$ 10,863,174	\$ 2,363,525	\$ 13,418,989	\$ -	\$ 15,782,514
GFA materials	8,873	-	-	8,873	19,662	-	-	19,662
Interest and other income	<u>22,679</u>	<u>-</u>	<u>-</u>	<u>22,679</u>	<u>28,040</u>	<u>-</u>	<u>-</u>	<u>28,040</u>
	<u>1,699,142</u>	<u>9,195,584</u>	<u>-</u>	<u>10,894,726</u>	<u>2,411,227</u>	<u>13,418,989</u>	<u>-</u>	<u>15,830,216</u>
expenses								
Administration	588,738	-	-	588,738	733,449	-	-	733,449
Advertising and promotion	195,149	-	-	195,149	372,875	-	-	372,875
Amortization	-	-	45,942	45,942	-	-	51,772	51,772
Bank charges and interest	177,168	-	-	177,168	196,981	-	-	196,981
Communication	237,950	-	-	237,950	334,945	-	-	334,945
Occupancy	73,294	-	-	73,294	78,293	-	-	78,293
Travel	40,596	-	-	40,596	90,022	-	-	90,022
Wages and salaries	565,508	-	-	565,508	626,950	-	-	626,950
Religious programs	-	1,602,350	-	1,602,350	-	4,849,646	-	4,849,646
Social programs	<u>-</u>	<u>8,412,336</u>	<u>-</u>	<u>8,412,336</u>	<u>-</u>	<u>6,280,795</u>	<u>-</u>	<u>6,280,795</u>
	<u>1,878,403</u>	<u>10,014,686</u>	<u>45,942</u>	<u>11,939,031</u>	<u>2,433,515</u>	<u>11,130,441</u>	<u>51,772</u>	<u>13,615,728</u>
excess of revenue over expenses for year	(179,261)	(819,102)	(45,942)	(1,044,305)	(22,288)	2,288,548	(51,772)	2,214,488
balance, beginning of year	1,409,198	3,945,441	1,108,920	6,463,559	1,431,486	1,656,893	1,160,692	4,249,071
Investment in capital assets	<u>(3,440)</u>	<u>-</u>	<u>3,440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
balance, end of year	<u>\$ 1,226,497</u>	<u>\$ 3,126,339</u>	<u>\$ 1,066,418</u>	<u>\$ 5,419,254</u>	<u>\$ 1,409,198</u>	<u>\$ 3,945,441</u>	<u>\$ 1,108,920</u>	<u>\$ 6,463,559</u>

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>

statement of cash flows

>YEAR ENDED DECEMBER 31, 2016

	2016	2015
operating activities		
Excess of revenue over expenses for year	\$(1,044,305)	\$ 2,214,488
Adjustments for:		
Amortization	<u>45,942</u>	<u>51,772</u>
	(998,363)	2,266,260
Changes in non-cash working capital:		
Decrease in government remittances recoverable	69,489	6,663
Decrease in inventory	211	(5,837)
Increase in prepaid expenses	(11,497)	(1,396)
Increase in loan receivable	(480,606)	-
Increase in due from affiliate	(3,187)	(6,196)
Increase in accounts payable	<u>11,343</u>	<u>(8,419)</u>
	<u>(1,412,610)</u>	<u>2,251,075</u>
investing activities		
Purchase of capital assets	(3,441)	-
Net increase in other investments	<u>14,956</u>	<u>(4,951)</u>
	<u>11,515</u>	<u>(4,951)</u>
Net change in cash for the year	(1,401,095)	2,246,124
Cash balance, beginning of year	<u>4,844,840</u>	<u>2,598,716</u>
cash balance, end of year	<u><u>\$ 3,443,745</u></u>	<u><u>\$ 4,844,840</u></u>

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>

notes to financial statements

>DECEMBER 31, 2016

1. purpose of organization

The mission of GFA World (formerly Gospel for Asia), the "Charity" is to communicate the love of Jesus Christ through various means, particularly through national missionaries by providing financial support as they counsel and provide social assistance to their own people. The Charity is incorporated under the Canada Not-for-Profit Corporations Act and is a registered charity for Canadian Income Tax purposes.

2. significant accounting policies

Basis of Accounting - These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting - The Charity maintains accounts in accordance with the principles of fund accounting. Fund balances of the Charity are classified for accounting and reporting purposes into the following funds to be used according to the directions of the donor or as determined by the Charity.

The General Fund reports contributions received towards the operation of the Charity that have not been designated to a separate fund or project.

The Restricted Fund accounts for the funds restricted by the donor to be spent on ministry.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Charity's capital assets.

Revenue Recognition - The Charity follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund, when received.

Unrestricted contributions are recognized as revenue of the General fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest and other income is recognized as it is earned and collection is reasonably assured.

Inventory - Inventory is valued at the lower of cost or net realizable value. The method of determining cost is on the first-in first-out basis which records the cost of inventory on hand on the basis of its most recent acquisition cost.

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>

notes to financial statements

>DECEMBER 31, 2016

Capital Assets and Amortization - Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided in the accounts using the following methods and annual rates:

Asset	Method	Rate
Buildings	Straight-line	2 - 5%
Furniture and fixtures	Reducing balance	20%
Computer equipment	Reducing balance	20%
Signage	Reducing balance	20%
Vehicle	Reducing balance	30%

Contributed Materials and Services - Volunteers contribute their time to assist the Charity in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Charity receives contributed materials, the fair value of which may or may not be reasonably determinable. Contributed materials are recognized as donations when fair value can be determined. No contributed materials were recognized as donation revenue during the year.

Financial Instruments

Measurement - The Charity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Charity subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, due from affiliate and loan receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Charity's financial assets measured at fair value include other investments.

Impairment - Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized as operating cost. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized as income from operations.

Transaction costs - The Charity recognizes its transaction costs in excess of revenue over expenses in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>

notes to financial statements

>DECEMBER 31, 2016

Disclosure and Use of Estimates - The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Estimates are used when accounting for certain items such as revenues, useful lives of capital assets, asset impairments and evaluation of minimum lease terms for operating leases.

3. inventory

Inventory is comprised of the following:

	2016	2015
Products for distribution	\$ <u>98,092</u>	\$ <u>98,303</u>

Inventory expensed during the period was \$211 (2015 - \$5,837).

4. loan receivable

Loan receivable bearing interest at 3% per annum, repayable March 2021.

5. due from affiliate

Amount due to and from affiliate is unsecured, non-interest bearing with no set terms of repayment.

6. capital assets

	cost	accumulated amortization	net 2016	net 2015
Land	\$ 346,037	\$ -	\$ 346,037	\$ 346,037
Buildings	880,620	263,612	617,008	637,411
Furniture and fixtures	444,553	380,697	63,856	79,820
Computer and equipment	255,060	221,127	33,933	40,797
Signage	14,817	10,933	3,884	4,855
Vehicle	<u>2,000</u>	<u>300</u>	<u>1,700</u>	-
	\$ <u>1,943,087</u>	\$ <u>876,669</u>	\$ <u>1,066,418</u>	\$ <u>1,108,920</u>

7. agency agreement

The Charity has entered into an Agency agreement with Believers Church of India for the purpose of executing their mission in field ministries.

GFA WORLD (FORMERLY GOSPEL FOR ASIA)>

notes to financial statements

>DECEMBER 31, 2016

8. contingency

During the year, proceedings were filed against the affiliated US organization relating to the expenditure of funds. In addition, a director of GFA World (formerly Gospel for Asia) was named in the suit. It is the position of the Charity that the claim is unfounded. The outcome of the claim is not determinable at this time and no provision has been made in these financial statements.

9. financial instruments

Risk Management - The significant risks to which the Charity exposed are currency risk, market risk, liquidity risk and interest rate risk. There has been no change to the risk exposures from the prior year.

Currency Risk - The Charity receives cash denominated in US dollars and is therefore exposed to foreign exchange fluctuations. As at December 31, 2016, cash of \$Nil (2015 - \$27,439) is denominated in US dollars.

Market Risk - The Charity's investments in publicly-traded securities expose the Charity to price risks as equity investments are subject to price changes in an open market. Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the underlying assets are traded. The Charity's investments are concentrated in Canada limiting the market risk associated with fluctuations in foreign currency.

Liquidity Risk - Liquidity risk is the risk that the Charity will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Charity's cash requirements. The available operating line of credit provides flexibility in the short term to meet operational needs and bridge long term financing. The Charity's borrowing arrangements are concentrated with a single Canadian financial institution.

Interest Rate Risk - The Charity manages its portfolio of investments based on its cash flow needs and with a view of optimising its interest income. The effective interest rate on other investments during the year was 0.5%. The average interest rate at the end of the year was 0.5% with investments maturing in 2 months.

10. subsequent events

Subsequent to year end, the Charity changed its name to GFA World.

GFA WORLD >

financial statements

>YEAR ENDED DECEMBER 31, 2017

MAC LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

GFA WORLD>

financial statements

>YEAR ENDED DECEMBER 31, 2017

index

Independent auditor's report.....	I - 2
Statement of financial position.....	3
Statement of operations and changes in fund balances	4
Statement of cash flows.....	5
Notes to financial statements.....	6 - 9



INDEPENDENT AUDITOR'S REPORT

To the Directors of GFA World:

Report on the Financial Statements

We have audited the accompanying financial statements of GFA World, which comprise the statement of financial position as at December 31, 2017, and the statements of operations and changes in fund balances, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of GFA World as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

MAC LLP.

Waterloo, Ontario
June 9, 2018

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GFA WORLD>

statement of financial position

>DECEMBER 31, 2017

	2017	2016
assets		
current		
Cash	\$ 3,298,499	\$ 3,443,745
Other investments	-	296,459
Field funds in transit (Note 3)	7,756,711	-
Government remittances recoverable	37,430	40,836
Inventory (Note 4)	76,051	98,092
Prepaid expenses	32,985	43,824
Loan receivable (Note 5)	462,208	480,606
Due from affiliate (Note 6)	<u>11,055</u>	<u>6,193</u>
	11,674,939	4,409,755
capital assets (Note 7)	<u>1,040,557</u>	<u>1,066,418</u>
	<u>\$ 12,715,496</u>	<u>\$ 5,476,173</u>
liabilities		
current		
Accounts payable and accrued liabilities	\$ <u>41,423</u>	\$ <u>56,919</u>
contingency (Note 9)		
fund balances		
general fund	472,025	1,226,497
restricted fund	11,161,493	3,126,339
capital assets	<u>1,040,555</u>	<u>1,066,418</u>
	<u>12,674,073</u>	<u>5,419,254</u>
	<u>\$ 12,715,496</u>	<u>\$ 5,476,173</u>

Approved on behalf of the board:

Director_____
Director

GFA WORLD>

statement of operations and changes in fund balances

>YEAR ENDED DECEMBER 31, 2017

	general fund	restricted fund	capital asset fund	2017 total	general fund	restricted fund	capital asset fund	2016 total
revenue								
Contributions	\$ 1,273,228	\$ 8,157,200	\$ -	\$ 9,430,428	\$ 1,667,590	\$ 9,195,584	\$ -	\$ 10,863,174
GFA materials	9,335	-	-	9,335	8,873	-	-	8,873
Interest and other income	<u>33,846</u>	<u>-</u>	<u>-</u>	<u>33,846</u>	<u>22,679</u>	<u>-</u>	<u>-</u>	<u>22,679</u>
	<u>1,316,409</u>	<u>8,157,200</u>	<u>-</u>	<u>9,473,609</u>	<u>1,699,142</u>	<u>9,195,584</u>	<u>-</u>	<u>10,894,726</u>
expenses								
Administration	696,541	-	-	696,541	588,738	-	-	588,738
Advertising and promotion	203,146	-	-	203,146	195,149	-	-	195,149
Amortization	-	-	42,958	42,958	-	-	45,942	45,942
Bank charges and interest	242,204	-	-	242,204	177,168	-	-	177,168
Communication	218,990	-	-	218,990	237,950	-	-	237,950
Occupancy	77,594	-	-	77,594	73,294	-	-	73,294
Travel	25,496	-	-	25,496	40,596	-	-	40,596
Wages and salaries	589,815	-	-	589,815	565,508	-	-	565,508
Religious programs	-	-	-	-	-	1,602,350	-	1,602,350
Social programs	<u>-</u>	<u>122,046</u>	<u>-</u>	<u>122,046</u>	<u>-</u>	<u>8,412,336</u>	<u>-</u>	<u>8,412,336</u>
	<u>2,053,786</u>	<u>122,046</u>	<u>42,958</u>	<u>2,218,790</u>	<u>1,878,403</u>	<u>10,014,686</u>	<u>45,942</u>	<u>11,939,031</u>
excess of revenue over expenses for year	(737,377)	8,035,154	(42,958)	7,254,819	(179,261)	(819,102)	(45,942)	(1,044,305)
balance, beginning of year	1,226,497	3,126,339	1,066,418	5,419,254	1,409,198	3,945,441	1,108,920	6,463,559
Investment in capital assets	<u>(17,095)</u>	<u>-</u>	<u>17,095</u>	<u>-</u>	<u>(3,440)</u>	<u>-</u>	<u>3,440</u>	<u>-</u>
balance, end of year	<u>\$ 472,025</u>	<u>\$ 11,161,493</u>	<u>\$ 1,040,555</u>	<u>\$ 12,674,073</u>	<u>\$ 1,226,497</u>	<u>\$ 3,126,339</u>	<u>\$ 1,066,418</u>	<u>\$ 5,419,254</u>

GFA WORLD>

statement of cash flows

>YEAR ENDED DECEMBER 31, 2017

	2017	2016
operating activities		
Excess of revenue over expenses for year	\$ 7,254,819	\$ (1,044,305)
Adjustments for:		
Amortization	<u>42,958</u>	<u>45,942</u>
	7,297,777	(998,363)
Changes in non-cash working capital:		
Increase in field funds in transit	(7,756,711)	-
Decrease in government remittances recoverable	3,406	69,489
Decrease in inventory	22,041	211
Decrease in prepaid expenses	10,839	(11,497)
Decrease in loan receivable	18,398	(480,606)
Increase in due from affiliate	(4,862)	(3,187)
Decrease in accounts payable and accrued liabilities	<u>(15,498)</u>	<u>11,343</u>
	<u>(424,610)</u>	<u>(1,412,610)</u>
investing activities		
Purchase of capital assets	(17,095)	(3,441)
Net decrease in other investments	<u>296,459</u>	<u>14,956</u>
	<u>279,364</u>	<u>11,515</u>
Net change in cash for the year	(145,246)	(1,401,095)
Cash balance, beginning of year	<u>3,443,745</u>	<u>4,844,840</u>
cash balance, end of year	<u>\$ 3,298,499</u>	<u>\$ 3,443,745</u>

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2017

1. purpose of organization

The mission of GFA World, the "Charity" is to communicate the love of Jesus Christ through various means, particularly through national missionaries by providing financial support as they counsel and provide social assistance to their own people. The Charity is incorporated under the Canada Not-for-Profit Corporations Act and is a registered charity for Canadian Income Tax purposes.

2. significant accounting policies

Basis of Accounting - These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting - The Charity maintains accounts in accordance with the principles of fund accounting. Fund balances of the Charity are classified for accounting and reporting purposes into the following funds to be used according to the directions of the donor or as determined by the Charity.

The General Fund reports contributions received towards the operation of the Charity that have not been designated to a separate fund or project.

The Restricted Fund accounts for the funds restricted by the donor to be spent on ministry.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Charity's capital assets.

Revenue Recognition - The Charity follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund, when received.

Unrestricted contributions are recognized as revenue of the General fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest and other income is recognized as it is earned and collection is reasonably assured.

Inventory - Inventory is valued at the lower of cost or net realizable value. The method of determining cost is on the first-in first-out basis which records the cost of inventory on hand on the basis of its most recent acquisition cost.

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2017

Capital Assets and Amortization - Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided in the accounts using the following methods and annual rates:

Asset	Method	Rate
Buildings	Straight-line	2 - 5%
Furniture and fixtures	Reducing balance	20%
Computer equipment	Reducing balance	20%
Signage	Reducing balance	20%
Vehicle	Reducing balance	30%

Contributed Materials and Services - Volunteers contribute their time to assist the Charity in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Charity receives contributed materials, the fair value of which may or may not be reasonably determinable. Contributed materials are recognized as donations when fair value can be determined. No contributed materials were recognized as donation revenue during the year.

Financial Instruments

Measurement - The Charity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Charity subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, due from affiliate and loan receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Charity's financial assets measured at fair value include other investments.

Impairment - Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized as operating cost. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized as income from operations.

Transaction costs - The Charity recognizes its transaction costs in excess of revenue over expenses in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2017

Disclosure and Use of Estimates - The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Estimates are used when accounting for certain items such as revenues, useful lives of capital assets, asset impairments and evaluation of minimum lease terms for operating leases.

3. field funds in transit

Donated funds restricted for the field in the amount \$7,756,711 (2016 - \$Nil) were transferred during the year, but were returned to the organization subsequent to the year end as a result of political issues. This amount has been included in the financial statements as field funds in transit as the funds will be transferred to the field as soon as the Agency organization, Believers Eastern Church, is able to accept the donations.

4. inventory

Inventory is comprised of the following:

	2017	2016
Products for distribution	\$ <u>76,051</u>	\$ <u>98,092</u>

Inventory expensed during the period was \$22,041 (2016 - \$211).

5. loan receivable

Loan receivable bearing interest at 3% per annum, repayable March 2021.

6. due from affiliate

Amount due from affiliate is unsecured, non-interest bearing with no set terms of repayment.

7. capital assets

	cost	accumulated amortization	net 2017	net 2016
Land	\$ 346,037	\$ -	\$ 346,037	\$ 346,037
Buildings	880,620	284,016	596,604	617,008
Furniture and fixtures	452,688	394,281	58,407	63,856
Computer and equipment	264,021	228,809	35,212	33,933
Signage	14,817	11,710	3,107	3,884
Vehicle	<u>2,000</u>	<u>810</u>	<u>1,190</u>	<u>1,700</u>
	<u>\$ 1,960,183</u>	<u>\$ 919,626</u>	<u>\$ 1,040,557</u>	<u>\$ 1,066,418</u>

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2017

8. agency agreement

The Charity has entered into an Agency agreement with Believers Eastern Church for the purpose of executing their mission in field ministries.

9. contingency

Legal proceedings that began in 2016 against the affiliated US organization relating to the expenditure of funds entered and remained in the discovery stage of the proceedings during 2017. In addition, a director of GFA World was named in the suit. It is the position of the Charity that the claim is unfounded. The outcome of the claim is not determinable at this time and no provision has been made in these financial statements.

10. financial instruments

Risk Management - The significant risks to which the Charity exposed are currency risk, market risk, liquidity risk and interest rate risk. There has been no change to the risk exposures from the prior year.

Currency Risk - The Charity receives cash denominated in US dollars and is therefore exposed to foreign exchange fluctuations. As at December 31, 2017, cash of \$11,568 (2016 - \$Nil) is denominated in US dollars.

Market Risk - The Charity's investments in publicly-traded securities expose the Charity to price risks as equity investments are subject to price changes in an open market. Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the underlying assets are traded. The Charity's investments are concentrated in Canada limiting the market risk associated with fluctuations in foreign currency.

Liquidity Risk - Liquidity risk is the risk that the Charity will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Charity's cash requirements. The available operating line of credit provides flexibility in the short term to meet operational needs and bridge long term financing. The Charity's borrowing arrangements are concentrated with a single Canadian financial institution.

Interest Rate Risk - The Charity manages its portfolio of investments based on its cash flow needs and with a view of optimising its interest income. The effective interest rate on other investments during the year was 0.5%. The investments were disposed of during 2017, and as a result there was no average interest rate at the end of the year.

GFA WORLD >

financial statements

>YEAR ENDED DECEMBER 31, 2018

MAC LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

GFA WORLD>

financial statements

>YEAR ENDED DECEMBER 31, 2018

index

Independent auditor's report.....	I-2
Statement of financial position.....	3
Statement of operations and changes in fund balances	4
Statement of cash flows	5
Notes to financial statements.....	6 - 9



INDEPENDENT AUDITOR'S REPORT

To the Members of GFA World:

Opinion

We have audited the financial statements of GFA World, the "Charity", which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Charity as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Charity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MAC LLP.

Waterloo, Ontario
June 10, 2019

LICENSED PUBLIC ACCOUNTANTS
CHARTERED PROFESSIONAL ACCOUNTANTS

GFA WORLD>

statement of financial position

>DECEMBER 31, 2018

	2018	2017
assets		
current		
Cash	\$ 9,698,791	\$ 3,298,499
Field funds in transit (Note 3)	-	7,756,711
Government remittances recoverable	67,147	37,430
Inventory (Note 4)	58,233	76,051
Prepaid expenses	30,420	32,985
Loan receivable (Note 5)	490,992	462,208
Due from affiliate (Note 6)	<u>18,248</u>	<u>11,055</u>
	10,363,831	11,674,939
capital assets (Note 7)	<u>1,029,322</u>	<u>1,040,557</u>
	<u>\$ 11,393,153</u>	<u>\$ 12,715,496</u>
liabilities		
current		
Accounts payable and accrued liabilities	\$ <u>28,105</u>	\$ <u>41,423</u>
contingency (Note 9)		
fund balances		
general fund	361,373	472,025
restricted fund	9,974,353	11,161,493
capital assets	<u>1,029,322</u>	<u>1,040,555</u>
	<u>11,365,048</u>	<u>12,674,073</u>
	<u>\$ 11,393,153</u>	<u>\$ 12,715,496</u>

Approved on behalf of the board:

Director_____
Director

GFA WORLD>

statement of operations and changes in fund balances

>YEAR ENDED DECEMBER 31, 2018

	general fund	restricted fund	capital asset fund	2018 total	general fund	restricted fund	capital asset fund	2017 total
revenue								
Contributions	\$ 2,125,126	\$ 6,627,263	\$ -	\$ 8,752,389	\$ 1,273,228	\$ 8,157,200	\$ -	\$ 9,430,428
GFA materials	5,655	-	-	5,655	9,335	-	-	9,335
Interest and other income	<u>101,590</u>	<u>-</u>	<u>-</u>	<u>101,590</u>	<u>33,846</u>	<u>-</u>	<u>-</u>	<u>33,846</u>
	<u>2,232,371</u>	<u>6,627,263</u>	<u>-</u>	<u>8,859,634</u>	<u>1,316,409</u>	<u>8,157,200</u>	<u>-</u>	<u>9,473,609</u>
expenses								
Administration	841,822	-	-	841,822	696,541	-	-	696,541
Advertising and promotion	179,221	-	-	179,221	203,146	-	-	203,146
Amortization	-	-	42,955	42,955	-	-	42,958	42,958
Bank charges and interest	159,341	-	-	159,341	242,204	-	-	242,204
Communication	334,376	-	-	334,376	218,990	-	-	218,990
Occupancy	58,635	-	-	58,635	77,594	-	-	77,594
Travel	33,969	-	-	33,969	25,496	-	-	25,496
Wages and salaries	703,937	-	-	703,937	589,815	-	-	589,815
Social programs	<u>-</u>	<u>7,814,403</u>	<u>-</u>	<u>7,814,403</u>	<u>-</u>	<u>122,046</u>	<u>-</u>	<u>122,046</u>
	<u>2,311,301</u>	<u>7,814,403</u>	<u>42,955</u>	<u>10,168,659</u>	<u>2,053,786</u>	<u>122,046</u>	<u>42,958</u>	<u>2,218,790</u>
excess of revenue over expenses for year	(78,930)	(1,187,140)	(42,955)	(1,309,025)	(737,377)	8,035,154	(42,958)	7,254,819
balance, beginning of year	472,025	11,161,493	1,040,555	12,674,073	1,226,497	3,126,339	1,066,418	5,419,254
Investment in capital assets	<u>(31,722)</u>	<u>-</u>	<u>31,722</u>	<u>-</u>	<u>(17,095)</u>	<u>-</u>	<u>17,095</u>	<u>-</u>
balance, end of year	<u>\$ 361,373</u>	<u>\$ 9,974,353</u>	<u>\$ 1,029,322</u>	<u>\$ 11,365,048</u>	<u>\$ 472,025</u>	<u>\$ 11,161,493</u>	<u>\$ 1,040,555</u>	<u>\$ 12,674,073</u>

GFA WORLD>

statement of cash flows

>YEAR ENDED DECEMBER 31, 2018

	2018	2017
operating activities		
Excess of revenue over expenses for year	\$(1,309,025)	\$ 7,254,819
Adjustments for:		
Amortization	<u>42,955</u>	<u>42,958</u>
	(1,266,070)	7,297,777
Changes in non-cash working capital:		
Increase in government remittances recoverable	(29,717)	3,406
Decrease in inventory	17,818	22,041
Decrease in prepaid expenses	2,565	10,839
Increase in loan receivable	(28,784)	18,398
Increase in due from affiliate	(7,193)	(4,862)
Decrease in accounts payable and accrued liabilities	<u>(13,318)</u>	<u>(15,498)</u>
	<u>(1,324,699)</u>	<u>7,332,101</u>
investing activities		
Purchase of capital assets	(31,720)	(17,095)
Net decrease in other investments	<u>-</u>	<u>296,459</u>
	<u>(31,720)</u>	<u>279,364</u>
Net change in cash for the year	(1,356,419)	7,611,465
Cash balance, beginning of year	<u>(1,055,210)</u>	<u>3,443,745</u>
cash balance, end of year	<u>\$ 9,698,791</u>	<u>\$11,055,210</u>

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2018

1. purpose of organization

The mission of GFA World, the "Charity" is to communicate the love of Jesus Christ through various means, particularly through national missionaries by providing financial support as they counsel and provide social assistance to their own people. The Charity is incorporated under the Canada Not-for-Profit Corporations Act and is a registered charity for Canadian Income Tax purposes.

2. significant accounting policies

Basis of Accounting - These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting - The Charity maintains accounts in accordance with the principles of fund accounting. Fund balances of the Charity are classified for accounting and reporting purposes into the following funds to be used according to the directions of the donor or as determined by the Charity.

The General Fund reports contributions received towards the operation of the Charity that have not been designated to a separate fund or project.

The Restricted Fund accounts for the funds restricted by the donor to be spent on ministry.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Charity's capital assets.

Revenue Recognition - The Charity follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund, when received.

Unrestricted contributions are recognized as revenue of the General fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest and other income is recognized as it is earned and collection is reasonably assured.

Inventory - Inventory is valued at the lower of cost or net realizable value. The method of determining cost is on the first-in first-out basis which records the cost of inventory on hand on the basis of its most recent acquisition cost.

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2018

Capital Assets and Amortization - Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided in the accounts using the following methods and annual rates:

Asset	Method	Rate
Buildings	Straight-line	5%
Furniture and fixtures	Reducing balance	20%
Computer equipment	Reducing balance	20%
Signage	Reducing balance	20%
Vehicle	Reducing balance	30%

Contributed Materials and Services - Volunteers contribute their time to assist the Charity in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Charity receives contributed materials, the fair value of which may or may not be reasonably determinable. Contributed materials are recognized as donations when fair value can be determined. No contributed materials were recognized as donation revenue during the year.

Financial Instruments

Measurement - The Charity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Charity subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, due from affiliate and loan receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment - Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized as operating cost. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized as income from operations.

Transaction costs - The Charity recognizes its transaction costs in excess of revenue over expenses in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2018

Disclosure and Use of Estimates - The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Estimates are used when accounting for certain items such as revenues, useful lives of capital assets, asset impairments and evaluation of minimum lease terms for operating leases.

3. field funds in transit

During the previous year funds restricted for the field in the amount of \$7,756,711 were transferred but returned to the organization during the current year as a result of political issues. The amount was included as funds in transit in the financial statements for the year ended December 31, 2017. In the current year the issues were resolved and the funds were transferred to the Agency organization.

4. inventory

Inventory is comprised of the following:

	2018	2017
Products for distribution	\$ <u>58,233</u>	\$ <u>76,051</u>

Inventory expensed during the period was \$17,819 (2017 - \$22,041).

5. loan receivable

Loan receivable bearing interest at 3% per annum, repayable March 2021.

6. due from affiliate

Amount due from affiliate is unsecured, non-interest bearing with no set terms of repayment.

7. capital assets

	cost	accumulated amortization	net 2018	net 2017
Land	\$ 346,037	\$ -	\$ 346,037	\$ 346,037
Buildings	886,025	304,527	581,498	596,604
Furniture and fixtures	452,688	405,963	46,725	58,407
Computer and equipment	286,813	238,131	48,682	35,212
Signage	16,144	12,464	3,680	3,107
Vehicle	<u>4,196</u>	<u>1,496</u>	<u>2,700</u>	<u>1,190</u>
	<u>\$ 1,991,903</u>	<u>\$ 962,581</u>	<u>\$ 1,029,322</u>	<u>\$ 1,040,557</u>

GFA WORLD>

notes to financial statements

>DECEMBER 31, 2018

8. agency agreement

The Charity has entered into an Agency agreement with Believers Eastern Church for the purpose of executing their mission in field ministries.

9. contingency

Legal proceedings that began in 2016 against the affiliated US organization relating to the expenditure of funds entered and remained in the discovery stage of the proceedings during 2017 and 2018. In addition, a director of GFA World was named in the suit. It is the position of the Charity that the claim is unfounded. Subsequent to the year end the claim was settled by the US organization and there was no impact on GFA World.

10. financial instruments


Risk Management - The significant risks to which the Charity exposed are currency risk and liquidity risk. There has been no change to the risk exposures from the prior year.

Currency Risk - The Charity receives cash denominated in US dollars and is therefore exposed to foreign exchange fluctuations. As at December 31, 2018, cash of \$10,799 (2017 - \$11,568) is denominated in US dollars.

Liquidity Risk - Liquidity risk is the risk that the Charity will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Charity's cash requirements. The available operating line of credit provides flexibility in the short term to meet operational needs and bridge long term financing. The Charity's borrowing arrangements are concentrated with a single Canadian financial institution.

Exhibit E

This is **Exhibit "E"** referred to
in the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

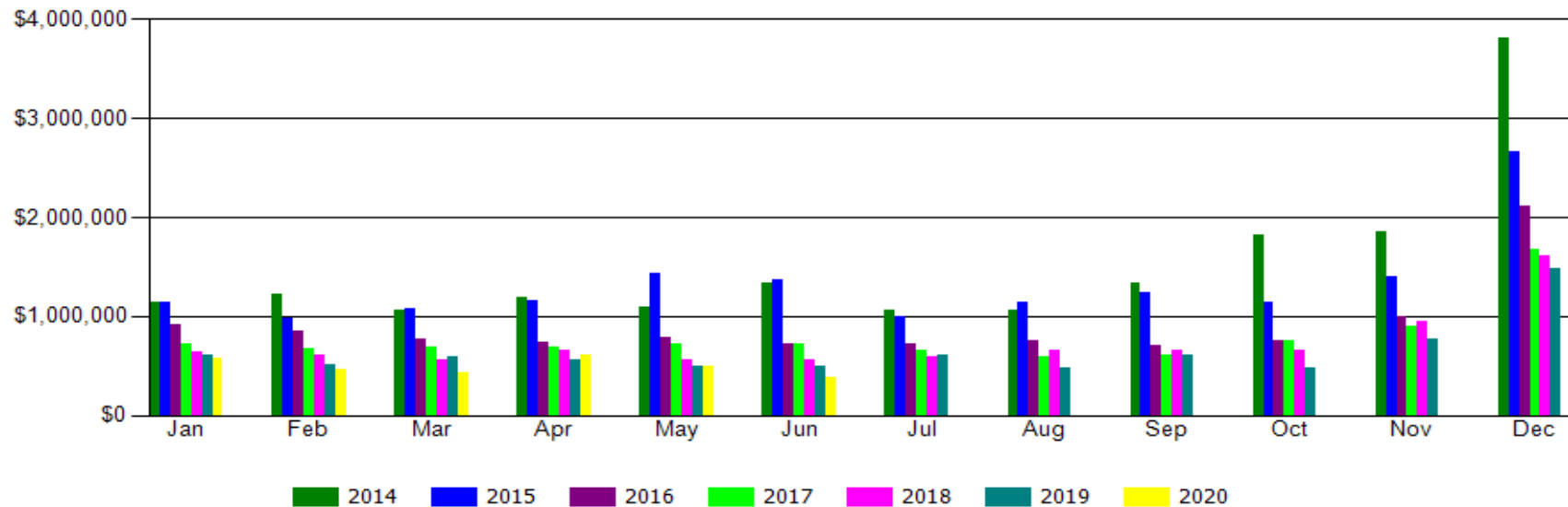
Revenue Comparison by Year By Date Consideration

CAN_PROD

Company: GFA - GFA World
Date Type: Transaction Date

Year Range: 2014 - 2020

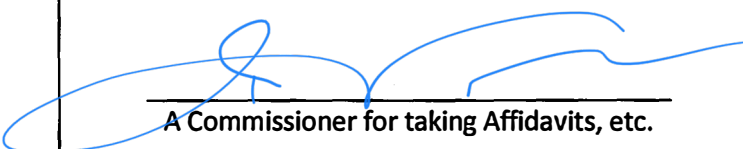
Revenue Comparison by Year



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2014	1,143,044.03	1,227,161.21	1,056,923.06	1,188,537.53	1,087,995.86	1,341,333.45	1,064,860.69	1,056,342.77	1,329,440.25	1,827,051.24	1,856,723.51	3,814,588.35	17,994,001.95
2015	1,142,832.25	986,848.53	1,075,091.46	1,160,989.25	1,431,728.30	1,364,959.43	991,145.99	1,143,498.44	1,243,051.52	1,134,531.99	1,397,822.34	2,669,871.01	15,742,370.51
2016	923,241.48	851,157.62	773,039.21	736,260.53	786,354.41	719,705.36	714,595.89	752,566.02	709,096.27	755,346.43	996,814.47	2,119,337.39	10,837,515.08
2017	721,674.29	676,314.47	694,183.70	696,408.02	726,044.34	718,196.86	649,136.76	598,169.83	600,788.99	746,117.67	896,132.60	1,677,812.23	9,400,979.76
2018	648,464.04	615,546.35	566,040.28	651,398.23	565,915.95	554,146.42	593,373.38	663,496.38	652,088.39	663,258.39	944,384.77	1,612,406.01	8,730,518.59
2019	602,891.63	504,418.95	588,830.08	553,609.32	499,696.79	501,760.40	612,280.53	486,197.18	612,945.39	480,138.49	766,762.69	1,483,856.36	7,693,387.81
2020	573,864.52	464,474.70	429,278.37	608,200.80	487,897.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,563,715.85

Exhibit F

This is Exhibit "F" referred to in
the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

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05-27-20

Accrual Basis

GFA World Balance Sheet

As of 29 February 2020

	29 Feb 20
ASSETS	
Current Assets	
Chequing/Savings	
1005 · Believer's Church Bank	11,286.00
1041 · TD Canada Trust Bank	
1042 · Fund - General	-2,636.61
1043 · Fund - Field	3,087,937.79
Total 1041 · TD Canada Trust Bank	3,085,301.18
1044 · TD Canada Trust Bank US\$ A...	14,052.48
1046 · Bank of Montreal	
1047 · Fund - General	52,365.82
Total 1046 · Bank of Montreal	52,365.82
Total Chequing/Savings	3,163,005.48
Other Current Assets	
1204 · Vehicle GIK	4,195.60
1205 · Loan Receivable-GFA USA	350,000.00
1209 · PST Recoverable	44,676.43
1210 · GST Recoverable	18,358.41
1221 · Due from U.S. Affiliate	8,477.62
1250 · Petty Cash	500.00
1252 · Petty Cash-Book \$ Floats	200.00
1350 · Inventory	58,232.65
1400 · Prepaid Expenses	30,420.06
Total Other Current Assets	515,060.77
Total Current Assets	3,678,066.25
Fixed Assets	
1701 · Building	
1720 · 239 King Street East	
1722 · Original Cost of 239	93,037.13
1731 · Acc'd Amort'n	-41,867.44
Total 1720 · 239 King Street East	51,169.69
1730 · 245 King Street East	
1732 · Original Cost of 245	725,977.02
1733 · Acc'd Amort'n	-253,137.11
1734 · Additions	
1735 · Acc'd Amort'n	-9,522.68
1734 · Additions - Other	67,011.02
Total 1734 · Additions	57,488.34
1770 · Original Cost - Signage	16,144.30
1775 · Acc'd amort'n - Signage	-12,464.05
Total 1730 · 245 King Street East	534,008.50
Total 1701 · Building	585,178.19
1708 · Land - 245 King St. E.	
1710 · Original Cost	128,949.65
Total 1708 · Land - 245 King St. E.	128,949.65
1715 · Land - 239 King St. E.	217,086.64
1741 · Computer Equipment	
1740 · Acc'd Amort'n	-238,130.94
1745 · Original Cost	302,024.01
Total 1741 · Computer Equipment	63,893.07
1751 · Equipment & Furniture	
1750 · Acc'd Amort'n	-405,962.68
1755 · Original Cost	452,687.52
Total 1751 · Equipment & Furniture	46,724.84

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05-27-20

Accrual Basis

GFA World Balance Sheet

As of 29 February 2020

	29 Feb 20
1780 · Vehicle acc'd amort'n	-1,496.34
Total Fixed Assets	1,040,336.05
TOTAL ASSETS	4,718,402.30
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	39,381.78
Total Accounts Payable	39,381.78
Other Current Liabilities	
2105 · Accrued Liabilities	15,000.00
2116 · Due to U.S. Affiliate	-9,770.72
Total Other Current Liabilities	5,229.28
Total Current Liabilities	44,611.06
Total Liabilities	44,611.06
Equity	
2300 · Restricted - Ministry in Asia	11,161,493.00
2400 · Unrestricted - Capital Assets	1,040,555.00
2405 · Unrestricted - General	472,026.97
3900 · Retained Earnings	-8,719,197.60
Net Income	718,913.87
Total Equity	4,673,791.24
TOTAL LIABILITIES & EQUITY	4,718,402.30

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GFA World

05-27-20

Statement of Income and Expenditures - YTD

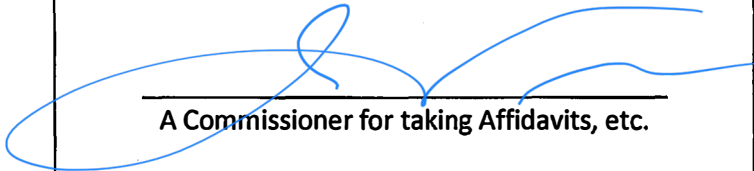
Accrual Basis

February 2020

	Restricted		Unrestricted		TOTAL	
	Feb 20	Jan - Feb 20	Feb 20	Jan - Feb 20	Feb 20	Jan - Feb 20
Ordinary Income/Expense						
Income						
5005 · GFA Materials	0.00	0.00	117.44	173.44	117.44	173.44
5011 · Contributions Income	358,865.44	812,202.41	103,219.26	221,393.19	462,084.70	1033595.60
5024 · Reimbursements-Gen...	0.00	0.00	2,805.00	4,648.62	2,805.00	4,648.62
5025 · Postage Reimbursen...	0.00	0.00	1.00	1.00	1.00	1.00
6099 · Non-Deductible General	0.00	0.00	0.00	300.00	0.00	300.00
Total Income	358,865.44	812,202.41	106,142.70	226,516.25	465,008.14	1038718.66
Gross Profit	358,865.44	812,202.41	106,142.70	226,516.25	465,008.14	1038718.66
Expense						
5999 · Service Charges	0.00	0.00	261.51	523.02	261.51	523.02
6000 · Bank Service Charges	0.00	0.00	16,398.69	40,805.35	16,398.69	40,805.35
6007 · Computer/electronics	0.00	0.00	1,772.35	1,811.40	1,772.35	1,811.40
6025 · Freight and Postage	0.00	0.00	14,565.37	17,819.19	14,565.37	17,819.19
6044 · Internet Costs	0.00	0.00	416.81	833.62	416.81	833.62
6051 · Insurance	0.00	0.00	15,711.56	20,106.56	15,711.56	20,106.56
6055 · Memberships & Dues	0.00	0.00	105.00	105.00	105.00	105.00
6060 · Office Expenses	0.00	0.00	28,871.23	45,323.61	28,871.23	45,323.61
6074 · Payroll Deductions	0.00	0.00	3,175.11	6,289.50	3,175.11	6,289.50
6082 · Payroll Services	0.00	0.00	184.03	365.41	184.03	365.41
6090 · Printing	0.00	0.00	1,397.99	4,455.90	1,397.99	4,455.90
6105 · Promotion	0.00	0.00	17,426.35	46,882.05	17,426.35	46,882.05
6115 · Property Taxes	0.00	0.00	1,730.79	1,730.79	1,730.79	1,730.79
6119 · Repairs / Maintenance	0.00	0.00	2,689.30	3,728.70	2,689.30	3,728.70
6132 · Telephone	0.00	0.00	3,846.42	8,218.75	3,846.42	8,218.75
6156 · Travel	0.00	0.00	7,049.07	13,899.84	7,049.07	13,899.84
6161 · Utilities	0.00	0.00	2,086.47	4,880.96	2,086.47	4,880.96
6185 · Wages & Salaries	0.00	0.00	51,232.84	102,025.14	51,232.84	102,025.14
Total Expense	0.00	0.00	168,920.89	319,804.79	168,920.89	319,804.79
Net Ordinary Income	358,865.44	812,202.41	-62,778.19	-93,288.54	296,087.25	718,913.87
Net Income	358,865.44	812,202.41	-62,778.19	-93,288.54	296,087.25	718,913.87

Exhibit G

This is **Exhibit "G"** referred to in
the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

RUN NUMBER : 175
RUN DATE : 2020/06/23
ID : 20200623101929.99

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(2704)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : GFA WORLD

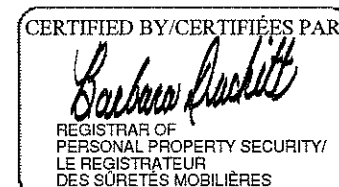
FILE CURRENCY : 22JUN 2020

ENQUIRY NUMBER 20200623101929.99 CONTAINS 1 PAGE(S), 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

GOODMANS LLP (H. WILSON) - HEATHER WILSON

3400-333 BAY STREET
TORONTO ON M5H 2S7



(crj5 06/2019)

Ontario 

RUN NUMBER : 175
RUN DATE : 2020/06/23
ID : 20200623101959.51

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(2705)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : GOSPEL FOR ASIA

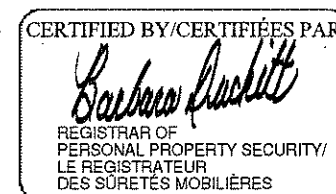
FILE CURRENCY : 22JUN 2020

ENQUIRY NUMBER 20200623101959.51 CONTAINS 1 PAGE(S), 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

GOODMANS LLP (H. WILSON) - HEATHER WILSON

3400-333 BAY STREET
TORONTO ON M5H 2S7




(crj5 06/2019)

Ontario 

Exhibit H

This is Exhibit "H" referred to in
the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

of dollars from tens of thousands of well-intentioned donors throughout the country; donors who send money they are told will be used for very specific charitable purposes, such as meals for impoverished, hungry children. In reality, Yohannan and his associates divert much of this money and do with it as they please, using it to buy and run for-profit businesses; to build an expensive, secluded headquarters and personal residences; to sponsor an international sports team; and to speculate in financial markets. This case is about ending this egregious abuse.

II. JURISDICTION AND VENUE

2. This Court has jurisdiction pursuant to 28 U.S.C. § 1332(d) because the Class consists of more than 100 members, the amount in controversy exceeds the sum or value of five million dollars (\$5,000,000.00) exclusive of recoverable interest and costs, and minimal diversity exists. This Court also has subject matter jurisdiction pursuant to 18 U.S.C. § 1964, and supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367.

3. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because a substantial part of the events and omissions giving rise to the claims of Plaintiffs and the Class occurred in this District. Furthermore, venue is proper in this District because Plaintiffs sent donations to Gospel for Asia, Inc. from their home in Springdale, Arkansas.

III. PARTIES

4. Plaintiffs Garland D. Murphy, III, M.D. and Phyllis A. Murphy are individuals who are married and who now reside in Bentonville, Arkansas. Dr. and Mrs.

Murphy bring this action individually and as representatives of a Class of similarly situated donors.

5. Defendant Gospel for Asia, Inc. (also known as “GFA” or “GFA-USA”) is incorporated under the laws of Texas with its headquarters in Wills Point, Texas. The U.S. Internal Revenue Service currently recognizes GFA as both a 501(c)(3) non-profit entity and a “religious order.” GFA also has at least fourteen known affiliated limited liability companies, all registered in Wills Point, TX, including “Road to Peace,” “Unconditional Love,” and “Bridge Builders.” GFA has (or had) affiliated national offices in the United Kingdom, Germany, South Africa, Australia, India, South Korea, Finland, New Zealand, and Canada. Outside of the United States, GFA has its most significant presence in India, where it facilitates activities primarily through four entities: Believers Church, Gospel for Asia-India, Last Hour Ministries, and Love India Ministries. These four entities are each incorporated in the Indian State of Kerala. Believers Church is presented to be an Evangelical Christian religious organization that claims 2.6 million members, principally in South Asia. Believers Church owns and operates a number of for-profit outfits in India, including a rubber plantation, medical and engineering colleges, and a network of for-profit primary schools. GFA and Believers Church are closely linked through funding and purpose, and each is ultimately controlled by the same individual.

6. Defendant Gospel for Asia-International (or “GFA-International”) is incorporated under the laws of Texas with its headquarters in Wills Point, Texas. It was established as a joint venture of Defendant GFA and its Canadian and German affiliates.

7. Defendant Yohannan Kadappiliaril Punnose (also known as “K.P.” Yohannan) is an individual who resides in Wills Point, Texas. Yohannan founded GFA in

1978 and has continuously served as a member of its Board of Directors, its President, and its International Director. Yohannan has travelled and spoken extensively, both within the United States and internationally, on behalf of GFA and is the recognized “face” of GFA throughout the world. Yohannan was also consecrated as the first Metropolitan¹ of Believers Church in 2003, under the authority of the Church of South India (part of the worldwide Anglican Communion). Yohannan has held the foregoing positions at all times relevant to this lawsuit and continues in such positions as of filing. In these positions, Yohannan is the central and principal actor in making the misrepresentations and engaging in the fraud described in this Complaint, as Yohannan directly controls or has ultimate authority over all aspects of GFA-USA, Gospel for Asia-International, Gospel for Asia-India, Believers Church, and all affiliated national offices of GFA. Yohannan has personal, direct access to finances of these entities, and, in his role as Metropolitan Bishop of Believers Church, all Church property is titled in Yohannan’s name. All mailings and solicitations for all Gospel for Asia entities are sent out under Yohannan’s name and signature.

8. Defendant Gisela Punnose (also known as Gisela Yohannan) is an individual who resides in Wills Point, Texas. She is married to K.P. Yohannan and is a member of the Board of Directors of GFA. Gisela Punnose has been involved with GFA since its inception and has represented GFA through appearances at Christian gatherings in multiple countries and through four well-known books.

9. Defendant Daniel Punnose is an individual who resides in Wills Point, Texas. He is the son of K.P. Yohannan and Gisela Punnose, is a member of the Board of

¹ A Metropolitan is the position of highest and absolute authority within the organization, analogous to the Pope of the Roman Catholic Church.

Directors of GFA, and serves as its Vice President. Punnose has travelled and appeared extensively worldwide on behalf of GFA, including frequent speaking appearances within the United States at conferences and churches.

10. Defendant David Carroll is an individual who resides in Wills Point, Texas. Carroll serves GFA in multiple capacities, including Chief Financial Officer, and is also responsible for the overall operations of the U.S. Headquarters of GFA in Wills Point, Texas. Carroll has served with GFA since January 1992 and has since that time presented the work and vision of GFA to churches and ministries across the United States. Carroll has appeared on behalf of GFA in the media.

11. Defendant Pat Emerick is an individual and a United States citizen who resides in Ontario, Canada. Emerick serves as the Director of the Canadian affiliate of GFA. Emerick is an ordained minister of Believers Church and has represented GFA on numerous speaking engagements in the United States and internationally.

12. Defendants Gisela Punnose, Daniel Punnose, Carroll, Emerick, and GFA-International were aware of, and continue to be aware of, the misrepresentations and fraudulent acts committed by Defendants K.P. Yohannan and GFA. Defendants Gisela Punnose, Daniel Punnose, Carroll, Emerick, and GFA-International all provided material assistance to Defendants K.P. Yohannan and GFA in committing the acts and omissions set forth in this Complaint.

13. Defendants are sometimes referred to collectively throughout this Complaint as “Defendants.”

14. Defendants conduct substantial business within Arkansas and throughout the United States through the solicitation and collection of monetary donations to GFA.

Defendants have received donations through the “Arkansas to Asia with Love” fundraising campaign that challenged Arkansas residents to donate to GFA.² Defendants and/or their agents have also made personal appearances and presentations in Arkansas designed to promote GFA and solicit and collect donations.

IV. GENERAL ALLEGATIONS

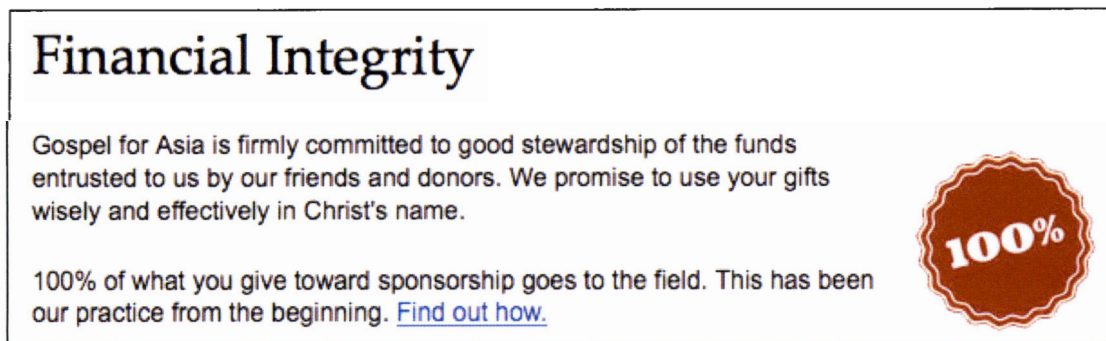
15. GFA is a global Christian missionary organization that operates in South Asia, primarily within India. Through mail, radio, website, and in-person solicitations of donations, GFA represents to potential donors that it funds indigenous community development projects, provides desperately needed supplies and provisions to the poor, and promotes a Christian message. Between 2007 and 2013, GFA has solicited over \$450,000,000 in donations from the United States alone, where the majority of GFA’s donors reside. Well over one million unique donations are made to GFA each year from tens of thousands of donors who give one time or on a recurring, sponsorship basis. However, despite repeated, explicit guarantees from GFA to donors, only a fraction of the donated money supports the people and causes for which it was donated, as Defendants redirect it for their own purposes. Significantly, the Evangelical Council for Financial Accountability (“ECFA”), a private oversight body that reviews the finances of Christian organizations that solicit charitable donations, decertified GFA in September of 2015 after investigating its finances. *See generally* Exhibit 1 hereto.

² See <https://www.mygfa.org/arkansastoasiawithlove/#donations> (last accessed January 28, 2016). Similar campaigns have been conducted in other states.

A. GFA solicits money by promising to use 100% of it for donor-specified purposes in the mission field

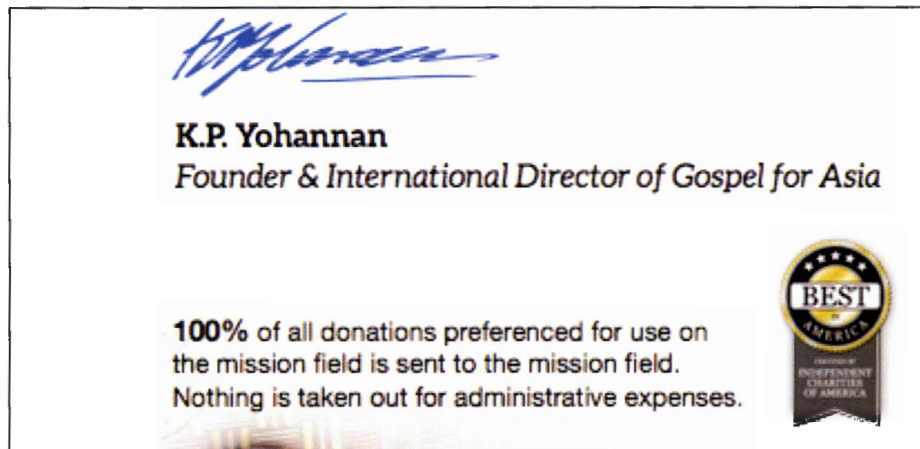
16. GFA solicits donations through its website (www.GFA.org), mailed solicitations, radio programming, and at in-person presentations. In its solicitations, GFA relies on three main types of representations: (1) its “GFA 100% Guarantee” that all money donated “goes to the field” when the donor intends; (2) a purportedly urgent, critical need for immediate donations; and (3) the donor’s ability to designate particular projects or items and GFA’s commitment to honor the donor’s designations.

17. GFA claims consistently that “100%” of what a donor gives for development, relief, and sponsorship abroad will go “to the field.” GFA claims that the GFA 100% Guarantee “has been our practice from the beginning,” and it places red, stamp-like emblems boasting “100% Guarantee” throughout GFA solicitations, as illustrated in the following examples:



The 100% Guarantee appears throughout GFA’s website (as of September 3, 2015). See <https://web.archive.org/web/20150906012157/http://www.gfa.org/about/financial-integrity/>,³ last accessed February 2, 2016.

³ Prior versions of GFA webpages citing “web.archive.org” are viewable today at the Internet Archive’s “Wayback Machine,” self-described as a “service that allows people to visit archived versions of Web sites. Visitors to the Wayback Machine can type in a URL, select a date range, and then begin surfing on an archived version of the Web.” See https://archive.org/about/faqs.php#The_Wayback_Machine, last accessed February 2, 2016.



The 100% Guarantee appears repeatedly in GFA's printed 2015 "Christmas Catalog." Exhibit 2 hereto.

18. As GFA explains on its website, "the Field" for which GFA solicits charitable relief is a geographic concept, meaning the "10/40 Window" (the section of the Eastern Hemisphere between 10 and 40 degrees north of the Equator; the countries in this region face high levels of socioeconomic challenge and have low access to Christian theology).⁴ The 10/40 Window (and, thus, "the Field") contains over 50 countries, not including the United States. GFA-USA is termed the "Home Office," such that the 100% Guarantee explicitly states that donations for "the Field" will never be applied for projects or needs within the United States, including GFA's administrative or salary expenses.⁵

19. Additionally, GFA further tells donors that the need for funding is "urgent"

⁴ See <http://www.gfa.org/about/what-we-do/> (last accessed February 1, 2016).

⁵ See "I've read in many of your publications that 100% of the money I give for mission work goes directly to the field. How does GFA raise enough money for administrative needs?" and "How are GFA home team staff supported" on FAQs at <http://www.gfa.org/about/faqs/> (last accessed February 1, 2016).

to enable “critical” and “emergency” projects.⁶ Missionaries “have the opportunity to change lives in Asia, but only for a short time”; they “just need your help” to begin their fellowships among the unreached in Asia.⁷ Hundreds of children are “awaiting” donations to begin “today” for schooling, clothing, and care.⁸ This sense of urgency is intended to compel donors to act sooner and more often than they might otherwise, as illustrated in the following examples:



A GFA “Emergency Gram” GFA sent to other donors in May 2015. Exhibit 3 hereto.

⁶ See Exhibit 1 hereto at p.3, item 4 (“The level of urgency communicated in GFA donor appeals contrasted with reserves held by foreign field partners and delays in sending funding to the field.”).

⁷ See <http://www.gfa.org/sponsor/> and <http://www.gfa.org/sponsor/why-national-missionaries/>, respectively (last accessed February 1, 2016).

⁸ See <http://www.gfa.org/sponsorachild/filter/> (last accessed February 1, 2016).



A solicitation for child sponsorship on the GFA website (as of September 3, 2015). See <https://web.archive.org/web/20150906032451/http://www.gfa.org/sponsorachild/filter/> (last accessed February 2, 2016).

20. Crucially, GFA promises, through mail solicitations and its website, to apply donations only to the specific projects and items donors select. GFA sends out monthly direct mail “campaign” solicitations, often tied to specific projects or items, such as its “Sewing Machines Appeal” from April 2012 or the “Pure Water Appeal” from August 2014, as well as occasional “Harvest” Newsletters and the “GFA World” magazine, each of which solicit donations. The best example of GFA’s mail solicitation effort is the “GFA Christmas Catalog,” an annual 15-20 page glossy with photos of specific “gifts” that donors may provide to the needy to coincide with the holiday season. Exhibit 2 hereto. Like the GFA Christmas Catalog, the GFA website (www.GFA.org) lists dozens of items and services to support relief work and directly improve lives. For example, GFA represents that a \$12 donation will be applied toward the purchase of a blanket for a family in need of warmth:

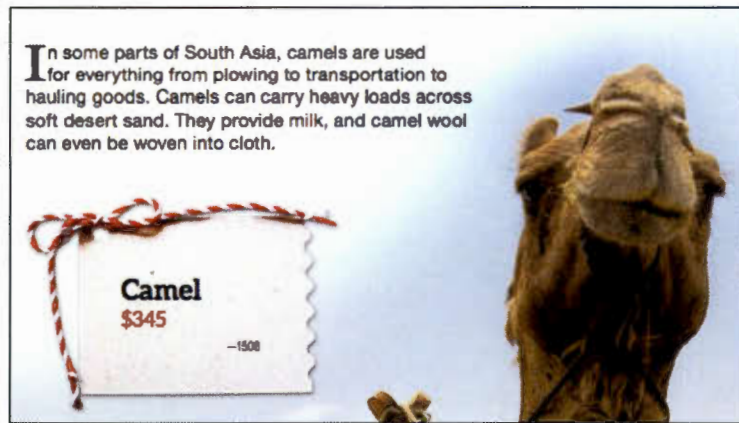


Solicitation of blankets for the needy in the 2015 "GFA Christmas Catalog." Exhibit 2 hereto.




Solicitation of blankets for the needy on GFA.org. See <http://www.gfa.org/donation/browse/items/joy-of-work/> (last accessed February 1, 2016).

21. GFA represents that a \$345 donation will be applied toward the purchase of a camel to facilitate commerce and provide food and clothing:



Solicitation of camels for the needy in the 2015 "GFA Christmas Catalog." Exhibit 2 hereto.



Camels

\$345 each

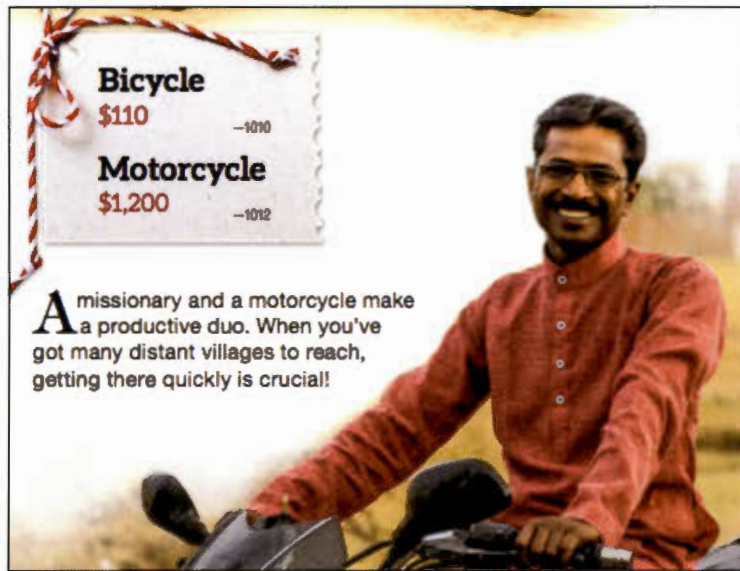
Camels feel right at home in Rajasthan, one of the hottest and driest places in India. They can work long hours in the heat with no problem and are used for plowing, transportation and hauling goods. Trucks quickly sink into sand. However, camels can carry up to 330 pounds across a desert with no problem. Camel milk is also part of many diets in Rajasthan, and camel wool can even be woven into cloth.

My Donation \$

Add

Solicitation of camels for the needy on GFA.org. See <http://www.gfa.org/donation/browse/items/from-the-stable/> (last accessed February 1, 2016).

22. GFA represents that a \$1,200 donation will be applied toward the purchase of a missionary's motorcycle to facilitate a missionary's outreach:

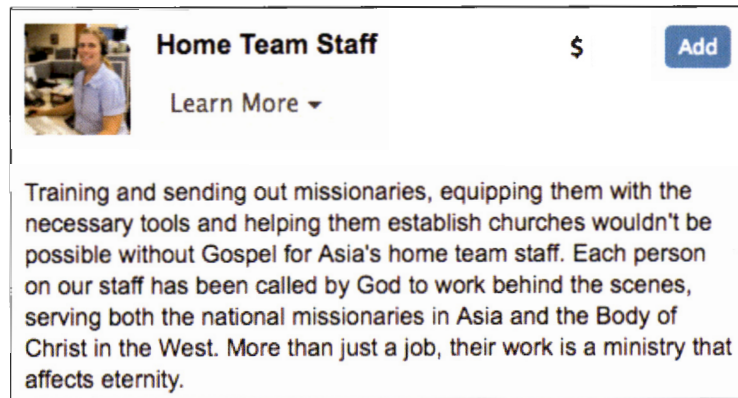


*Solicitation of motorcycles for missionaries in the 2015 "GFA Christmas Catalog."
Exhibit 2 hereto.*



*Solicitation of motorbikes for the missionaries on GFA.org. See
<http://www.gfa.org/donation/browse/items/tools-for-missionaries/> (last accessed
February 2, 2016).*

23. GFA also offers a specific donation option for the "Home Team" to defray costs of GFA's U.S. administration and staff salaries. This option would, if realized, give effect to GFA's claimed distinction between donations "to the Field" and for the "Home Team" and the applicability of the GFA 100% Guarantee to the former:

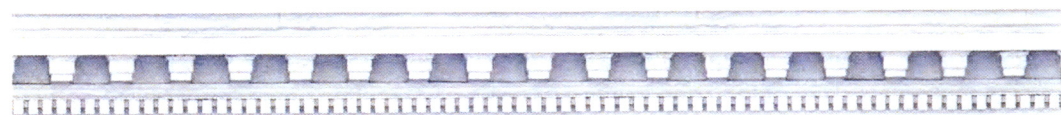


Solicitation for Home Team support on GFA.org. See <http://www.gfa.org/donation/browse/items/where-most-needed/> (last accessed February 1, 2016).



Solicitation specific to "the Field" in the 2015 "GFA Christmas Catalog." Exhibit 2 hereto.

24. Once the donor has selected the items she wishes to provide, she either copies each item's designation code to a pledge card or, through the website, adds the item to her "cart," no different from the experience of shopping with a major retailer. She receives a donation receipt from GFA expressing gratitude for the gift and indicating the specific amounts designated for each specific project or item (including the designation code on the receipt), often repeating the "GFA 100% Guarantee," as shown in the following example:



▲ KEEP this portion for tax purposes 1800-WIN-ASIA (1-800-946-2742) • M-F, 9 a.m.-5 p.m. Central • 1800 Golden Trail Court • Carrollton, TX 75010
 ▼ RETURN this portion with your next gift www.gfa.org Make checks payable to Gospel for Asia. For credit card or bank debit, see back.

Commitments as of December 31, 2012

Commitment	Code	Amount
Ratan Swargiary	151911	\$30 /mo
13 Bridge of Hope Children	Summary	\$455 /mo
2 Bridge of Hope Children	Summary	\$840 /yr
	Current Month Total	\$485.00

Your Next Gift

Gift Preference	Amount Enclosed
Pledged Amount---\$485.00	\$ _____
Where Most Needed (7000)	\$ _____
Bicycles(1010)	\$ _____
Other (Please Specify)	\$ _____
Total Gift Enclosed	\$ _____

Garland and Phyllis Murphy: 16812323

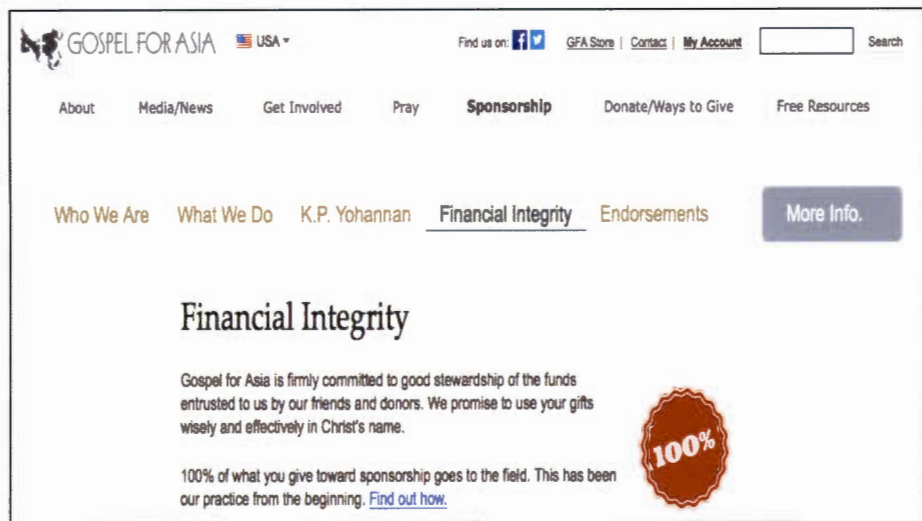
An example receipt GFA sent the Murphys; note documentation of donor's designations as "Commitments" by name and GFA's designation code. The 100% Guarantee is at the bottom of this receipt (Exhibit 4 hereto).

25. In addition to providing a portal for donations, GFA's website is a repository for promotional and explanatory materials and GFA's policy documents. The website answers frequently asked questions, and offers descriptions of "Who We Are"⁹ and ways for the faithful to "Pray"¹⁰ for GFA, among other topics. This information is readily available to donors who visit the website (which is also referenced in nearly all mail solicitations).

26. In mid-September of 2015, GFA updated the "Financial Integrity" section of its website to reflect its loss of membership in ECFA. At this time, GFA also altered its explanation of the 100% Guarantee, the hallmark pledge it had made to donors "since the beginning of the ministry." The initial boast of the 100% Guarantee remained exactly the same after the mid-September 2015 alterations:

⁹ See <http://www.gfa.org/about/who-we-are/> (last accessed February 1, 2016).

¹⁰ See <http://www.gfa.org/pray/> (last accessed February 1, 2016).



The initial presentation of the 100% Guarantee in the “Financial Integrity” section of GFA’s website (as of September 3, 2015). See <https://web.archive.org/web/20150906012157/http://www.gfa.org/about/financial-integrity/> (last accessed February 2, 2016).



The exact same initial presentation of the 100% Guarantee in the “Financial Integrity” section of GFA’s current website. See <http://www.gfa.org/about/financial-integrity/> (last accessed February 1, 2016).

27. But GFA revised its explanation of the 100% Guarantee by adding the following wholly new verbiage: “We are committed to honoring your gift preferences, however, occasionally we receive more contributions for a given project than can be

wisely applied to that project. When this happens we use the funds to meet a similar pressing need.” The following two screenshots from GFA’s website illustrate the change:

100% to the Field

Since the ministry began, we have sent 100% percent of what you give toward sponsoring a missionary or child to the field.

One hundred percent of contributions for use on the mission field are sent to the nations we serve and we have trusted the Lord to provide for our overhead costs.

At the same time, we do our part to keep these expenses very low. For instance, our home office staff members raise their own financial support, which covers their salary and benefits, helping keep our overhead costs at a minimum.

Our administrative costs are covered through donations designated "Home Office" or sometimes "Where Most Needed". The Lord has been faithful to meet our every need for over 30 years, and we give Him glory and thanks.

The explanation of the 100% Guarantee in the “Financial Integrity” section of GFA’s website (as of September 3, 2015). See

<https://web.archive.org/web/20150906012157/http://www.gfa.org/about/financial-integrity/> (last accessed February 2, 2016).

100% to the Field

100% of all donations preferenced for use on the mission field are sent to the mission field. Contributions are income tax deductible to the extent allowed by law, and are made with the understanding that Gospel for Asia has complete discretion and control over the use of all donated funds. We are committed to honoring your gift preferences, however, occasionally we receive more contributions for a given project than can be wisely applied to that project. When this happens we use the funds to meet a similar pressing need.

The revised explanation of the 100% Guarantee in the “Financial Integrity” section of GFA’s current website. See <http://www.gfa.org/about/financial-integrity/> (last accessed February 1, 2016).

B. After it receives money, GFA diverts and misdirects the majority of it

28. GFA claims to be a 501(c)(3) non-profit entity and a “religious order” recognized by the Internal Revenue Service (under IRS Rev. Proc. 91-20, 1991-1 C.B.

524, Sec. 3),¹¹ and it therefore is not required to publish its financial statements (IRS Form 990) as is otherwise required of a 501(c)(3). In India, however, as a foreign charity, GFA is required to publicly account for all funds it spends in the country, pursuant to the Indian Foreign Contribution Regulation Act of 2010. Financial analysis of the reports submitted to the Indian Government (“FC-6 forms”) for Believers Church, Gospel for Asia-India, and the related limited liability companies Last Hour Ministries and Love India Ministries demonstrates just how little of the money GFA sends to India is actually spent on the projects and items U.S. donors designated. *See generally* Exhibits 1, 5, and 6 hereto.

29. For example, in 2013 (the most recent year for which audited financial data is available), GFA worldwide collected around \$115,000,000 in donations (more than \$90 million from the U.S.), but spent only \$14,644,642 on services and relief under GFA’s mission to support the poor and needy of India—directly contrary to donor designations and GFA’s promises. Here is an overview of what GFA did with donated money in 2013 (as an example of its practices), derived from internal GFA financial documents and FC-6 forms:

- GFA’s national offices in the United States, Canada, the United Kingdom, Australia, New Zealand, and Germany dispersed a total of approximately \$118.6 million in the fiscal year ending December 31, 2013.¹² Of this \$118.6 million:

¹¹ See <http://www.gfa.org/sponsor/search/> and “I hear GFA is a religious order. What does that mean?” answered at <http://www.gfa.org/about/faqs/>, last accessed February 1, 2016.

¹² Rounding and currency conversions may account for slight variations in totals presented, but tabulations of exact figures based on GFA’s internal and/or audited amounts and official Indian public records GFA affiliates provided to the Indian Government pursuant to Indian law are attached as Exhibits 5 and 6 hereto.

- \$37.8 million was spent on the administrative needs of the various national offices (GFA spent \$24.3 million of this on the continuing construction of GFA's headquarters in Wills Point).
- \$76.3 million was provided to Gospel for Asia-International (\$58,482,900 from GFA-USA; \$11.4 million from GFA-Canada; and \$1 million from GFA-Germany).
- GFA-UK, GFA-New Zealand, and GFA-Australia sent a combined \$5.3 million directly to GFA affiliates in India (as reflected on FC-6 forms).
- Of the \$76.3 million GFA-International received from GFA entities in the United States, Canada, and Germany, almost \$43 million went missing, no longer accounted for in GFA financial documents nor received in India per FC-6 forms.
- The four Indian-based GFA affiliates (GFA-India, Believers Church, Love India Ministries, and Last Hour Ministries) declared receipt of \$33.6 million from foreign sources. Just \$28.3 million was declared to have come from the U.S., Canada, and Germany through GFA-International; the United Kingdom, Australia, and New Zealand had sent the balance directly to these GFA affiliates.
 - To this received total of \$33.6 million, the four Indian-based GFA affiliates added an existing bank balance of more than \$170 million and annual interest earned of more than \$14 million. This provided these four GFA-affiliates with more than \$215 million available to spend.
 - However, of this \$215 million cash-on-hand, almost \$15 million would depreciate due to currency fluctuations and the GFA affiliates closed the year with almost \$150 million still in their bank accounts. This left the

four GFA affiliates 2013 spending total at \$54.5 million, as reflected through the combined FC-6 forms.

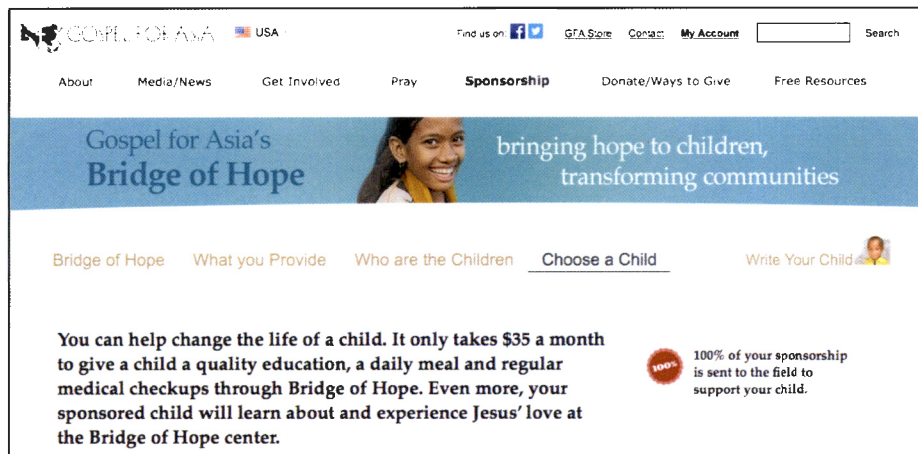
- Of this \$54.5 million total:
 - \$9.2 million was spent on Field administrative expenses.
 - \$14.7 million was spent on the purchase and/or construction of the for-profit Believers Church Hospital.
 - \$15.7 million was spent on Believers Church salaries and overhead.
- **Only \$14.9 million was spent on all direct relief to the poor and needy of India.** This included (as described on Indian FC-6 forms) just:
 - \$6.3 million on “welfare of children” (also known as GFA’s “Bridge of Hope”);
 - \$5.8 million on “religious schools/education of priests and preachers” (also known as GFA’s “National Missionaries” sponsorships);
 - \$1.4 million on “digging of bore wells” (also known as GFA’s “Jesus Wells”);
 - \$0.5 million on “relief/rehabilitation of victims of natural calamities” (also known as GFA’s “disaster relief” fund); and
 - \$436.00 on “welfare of the aged/widows” and \$0.00 “welfare of the orphans” (also known as GFA’s “Widows and Orphans” fund).

30. Thus, despite GFA’s explicit representations that it would spend in the

field 100% of every dollar donors designated for the field, GFA spent only \$14.9 million of \$118.6 million on actual relief efforts, instead spending far more on salaries and overhead for Believers Church and construction of the GFA Headquarters in Wills Point, Texas. The following three examples further illustrate particular ways in which GFA misdirected funds designated by donors for specific purposes:

1. GFA misdirected money designated for Bridge of Hope

31. GFA advertises that through its “Bridge of Hope” program it will provide a child in India with “Jesus’ love; quality education; a daily meal; and medical care” in exchange for a monthly pledge of \$35.¹³ Bridge of Hope is one of GFA’s most popular donation options, receiving millions of dollars annually from tens of thousands of donors in the United States, many of whom sponsor multiple children over multiple years:



Bridge of Hope sponsorship information from GFA's website (as of September 3, 2015). See <https://web.archive.org/web/20150906032451/http://www.gfa.org/sponsorachild/filter/> (last accessed February 2, 2016).

32. However, per GFA documents, in FYE 2014 the actual cost to support a

¹³ See <http://www.gfa.org/sponsorachild/filter/> (last accessed February 1, 2016).

child in Bridge of Hope was less than INR 500 (roughly \$8.20) per month.¹⁴ In 2013, GFA received over \$15 million in donations specifically designated for “Bridge of Hope,” but spent only \$6.3 million on “child welfare.”

2. GFA misdirected money designated for Jesus Wells

33. GFA represents that it constructs “Jesus Wells” to provide clean, potable water to underserved villages in India. In 2012, GFA collected more than \$3.5 million in donations designated for Jesus Wells, but spent only \$500,000 on that project. In 2013, GFA collected more than \$4 million in donations designated for Jesus Wells, but spent only \$700,000 on that project. Accepting GFA’s representation that it is able to drill a well for only \$1,400,¹⁵ in real terms, this discrepancy between donations received and money spent in India means that in 2012 GFA received funding sufficient to establish at least 2,500 wells, but its actual spending in India was sufficient to establish only 350 wells, while in 2013, GFA received funding for at least 2,800 wells, but only spent enough in India for 500 wells.

3. GFA misdirected money designated for orphans and widows

34. Between 2010 and 2013, GFA collected more than \$4.2 million dollars designated by donors to support “Widows and Abandoned Children.” During that time, GFA, per disclosures on FC-6 forms, spent only \$31,265 for the welfare of widows, and

¹⁴ Warren Throckmorton, “How Much Does it Really Cost to Sponsor a Child with Gospel for Asia?” posted May 27, 2015 at <http://www.patheos.com/blogs/warrenthrockmorton/2015/05/27/how-much-does-it-really-cost-to-sponsor-a-child-with-gospel-for-asia/> (last accessed February 1, 2016).

¹⁵ See <http://www.gfa.org/ministries/jesuswells/> (last accessed February 1, 2016).


\$0.00 for the welfare of orphans—less than 1% of what GFA collected for this purpose.

In South Asian culture, most widows are seen as a curse and shunned from society. Depending on the circumstances, they're often ignored by even their close relatives.

Abandoned children also face extremely difficult conditions. On their own, they search for food in waste dumps and make their homes with trash and rubble.

Their Situation Can Improve

Your donation will provide Gospel for Asia-supported missionaries with the means to help these precious women and children of God.

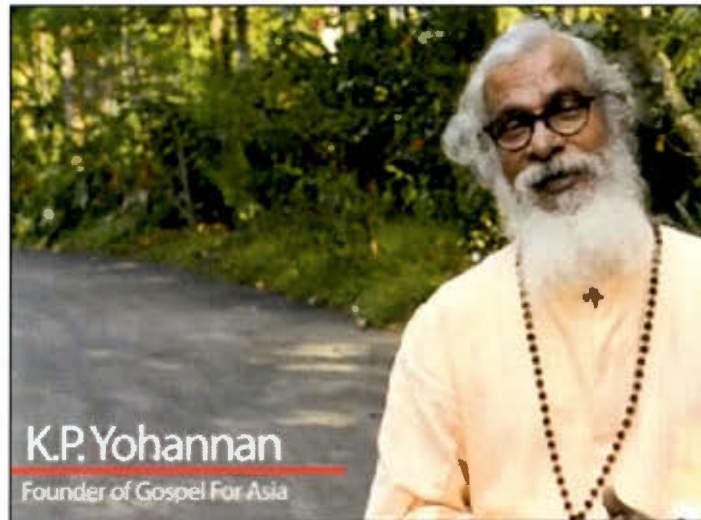


Solicitation of donations to support "Widows and Abandoned Children" from GFA.org (as it appeared on November 2, 2012). See <https://web.archive.org/web/20121102031628/http://www.gfa.org/ministries/widows-abandoned-children/> (last accessed February 2, 2016).

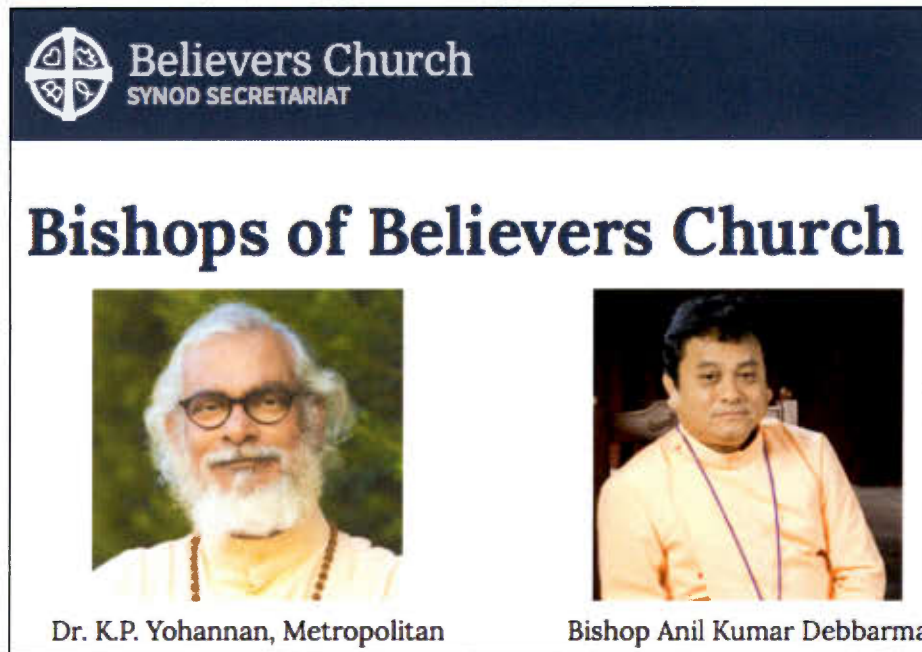
C. GFA diverts donated money to benefit itself and its affiliates

35. GFA sends the majority of the donated funds it receives to Gospel for Asia – India and Believers Church. GFA represents that these Indian entities are wholly separate from GFA and not subject to the control of either GFA or K.P. Yohannan. GFA's website presents Believers Church as a "Field Partner" of GFA and, states there is "no legal binding [sic] between GFA and Believers Church."¹⁶ In a video overview of Believers Church hosted on GFA's website, GFA identifies K.P. Yohannan solely as the "Founder of Gospel for Asia." The video is hosted at <http://www.gfa.org/believerschurch/>, and a screenshot from the video containing this identification is as follows:

¹⁶ See "Once in a while, I hear about Believers Church through GFA. Is there any affiliation between GFA and Believers Church?" answered at <http://www.gfa.org/about/faqs/> (last accessed February 1, 2016).



36. K.P. Yohannan, however, also serves as the Metropolitan of Believers Church (the position of highest and absolute authority within the organization, analogous to the Pope of the Roman Catholic Church).



Believers Church has eleven bishops, including Metropolitan Yohannan. See <http://www.believerschurch.com/about/bishops/> (last accessed February 2, 2016).

37. As Metropolitan, Yohannan knows of and provides input into every

significant decision affecting the finances of Believers Church. *See* Exhibit 1 hereto at p.6, item 10. Among the “Powers and Functions of the Metropolitan,” as outlined in the 2009 Constitution of Believers Church, are:

- “The Metropolitan shall by the virtue of his office is [sic] the President and final authority for the Church government, including the Managing Trustee or President of all Trust and societies of the Believers Church and custodian of the Believers Church at large.”
- “He has authority over the Church and all the establishments thereunder.”
- “The Metropolitan shall have power to give directions to the Episcopa (Bishops) on all matters in regards to spiritual and general administration and life of the Church and can withdraw or modify any of such conferred powers.”

CHAPTER 2
THE MINISTRY OF THE CHURCH
THE METROPOLITAN BISHOP

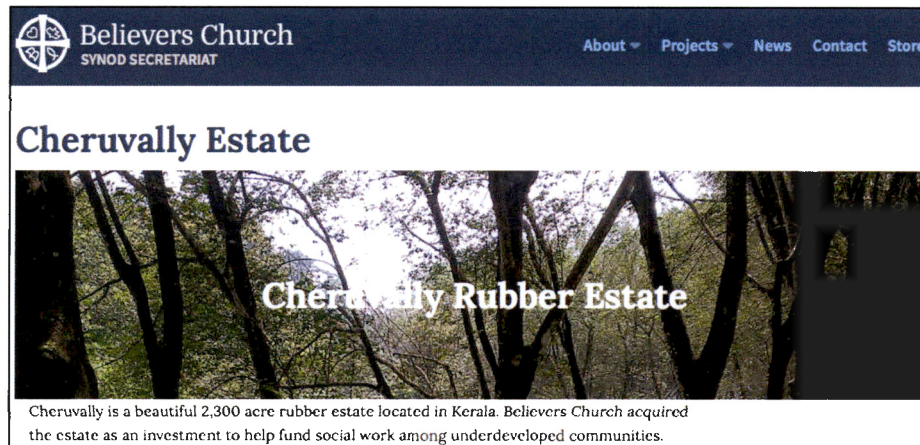
- 1) The Metropolitan Bishop (hereinafter referred as the Metropolitan) shall be the supreme ecclesiastical and constitutional Head and final authority on all matters of the Believers Church under the Lordship of Jesus Christ, THE HEAD of the Church. The Metropolitan of the Church shall be constitutionally known and addressed, “His Grace The Most Reverend” with the name that is otherwise officially known.

From the Believers Church 2009 Constitution. See <http://www.patheos.com/blogs/warrenthrockmorton/2015/10/20/believers-church-constitution-contradicts-k-p-yohannans-claim-that-he-has-no-legal-authority-in-indian-church/> (last accessed February 1, 2016).¹⁷

¹⁷ *See also* Believers Church’s own reference to its Constitution at <http://www.believerschurch.com/about/> (last accessed February 1, 2016).

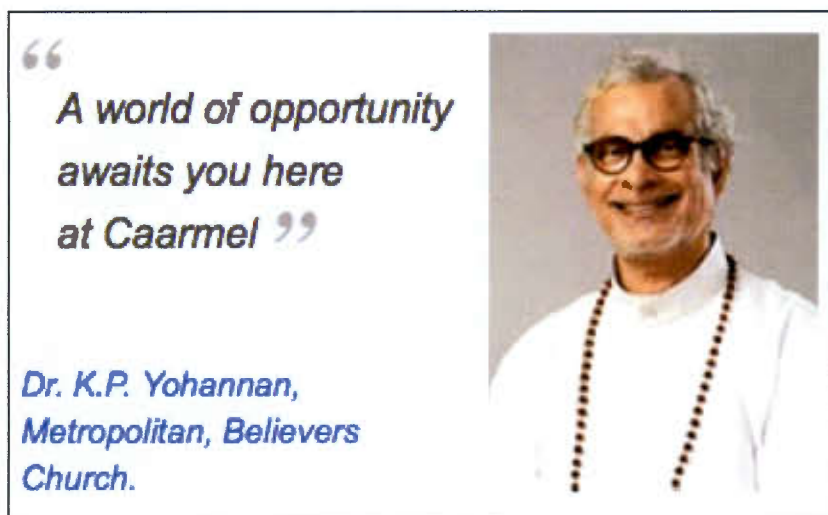
38. Yohannan created Believers Church in 2003. From 2003 through 2014, GFA solicited and collected approximately \$700,000,000 from U.S. donors. During this period, Believers Church bought and operated the following:

(1) a 2,300-acre for-profit rubber plantation, the Cheruvally Rubber Estate, in Kerala, India, shown in the following screenshot:



From the Believers Church website. See <http://www.believerschurch.com/cheruvally-estate/> (last accessed February 2, 2016).

(2) Caarmel Engineering College, a for-profit undergraduate institute in Kerala, India, of which K.P. Yohannan is the “patron” as shown on the College’s homepage as referenced in the following screenshot:



From the Caarmel Engineering College homepage. See www.bccaarmel.ac.in (last accessed on February 2, 2016).



Believers Church Caarmel Engineering College in Kerala, India. See <http://www.bccaarmel.ac.in/default.asp> (last accessed February 5, 2016).

(3) Believers Church Medical College Hospital, a for-profit, 500-bed teaching hospital established in Kerala in 2014, of which K.P. Yohannan is the “patron,” as shown

in the following screenshot:



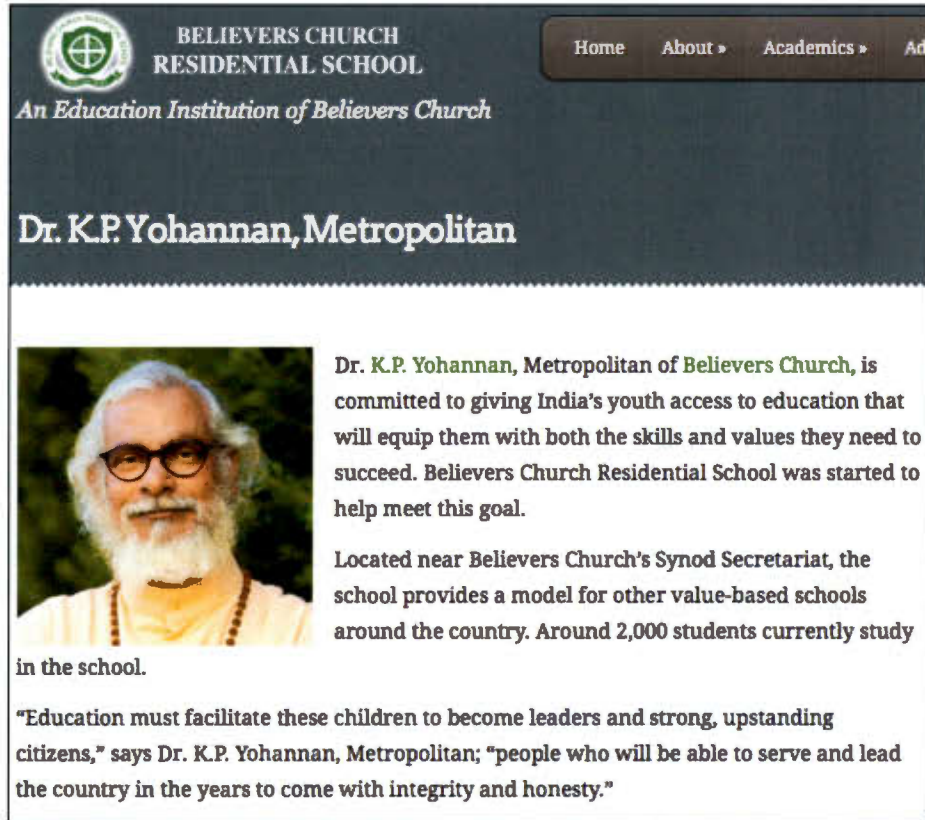
The screenshot shows the homepage of the Believers Church Medical College Hospital. The header includes the hospital's name and a navigation menu with links to Home, About, Services, Specialties, and Careers. The main content area features a profile of Dr. K.P. Yohannan, Metropolitan of Believers Church. A portrait of Dr. Yohannan is shown on the left, and text on the right describes his vision for holistic healthcare and the hospital's mission to train young people for service in rural areas. The text states: "Dr. K.P. Yohannan, Metropolitan of Believers Church, has a vision to provide quality holistic healthcare in an environment where patients can find both healing and wholeness. Believers Church Medical College Hospital, located near the church's headquarters, flows from this dream. Starting a hospital alone is not a sustainable means for equipping the people of India towards holistic health. Therefore the hospital looks ahead to train young men and women for healing by introducing training programmes in medical, nursing and allied health sciences. The medical college will challenge students to serve in rural areas of the country that lack proper healthcare. The desire is that they will continue to serve the nation after their training. Metropolitan Dr. K.P. Yohannan's hope is that the hospital will not only meet a need for additional hospital beds locally, but will also equip young people to make a difference elsewhere."

From the Believers Church Medical College Hospital homepage. See www.bcmch.org (last accessed February 2, 2016).



Believers Church Medical College Hospital in Kerala, India. See <http://www.bcmch.org> (last accessed February 5, 2016).

(4) At least six for-profit primary schools in Kerala, India, for which K.P. Yohannan is patron, shown in the following screenshot:



From the Believers Church Residential School website. See www.bcrschool.org (last accessed February 2, 2016).



Believers Church Residential School in Kerala, India. See <http://www.bcrschool.org/about/> (last accessed February 5, 2016).

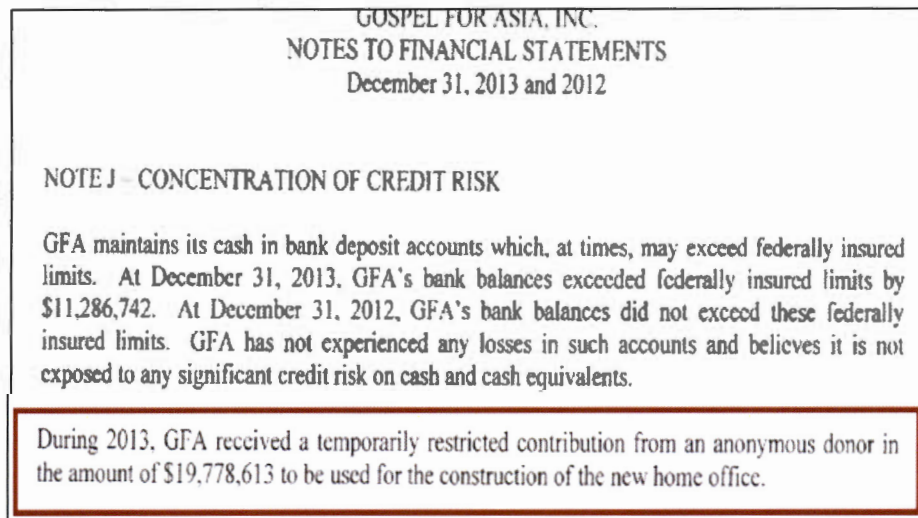
(5) Sponsorship of a football (soccer) club playing the Myanmar National League.

Here is the team badge:



*See <http://www.datasportsgroup.com/images/clubs/200x200/11780.png>
(last accessed February 3, 2016).*

39. In 2010, GFA purchased land and began constructing a state-of-the-art, \$45 million compound in Wills Point, Texas. GFA initially claimed, and presented as true through the financial documents of its auditing firm, that a \$20 million anonymous donation was received for the development of the 350-acre plot of land on which the compound now sits, as the following excerpt shows:



Excerpt from a 2013 audit of GFA done by Dallas accountancy Bland Garvey. Exhibit 7 hereto.

40. In fact, the \$20 million used to develop the land in Wills Point had come to GFA from GFA-India, on the direction of Believers Church. Specifically, that \$20 million came from the cash reserves of GFA-India, which consisted of donations to GFA solicited under the promise of GFA's 100% to-the-field guarantee and subject to the designations of donors. Thus, money donated from the United States designated for specific charitable purposes in "the Field" in fact was spent in the United States to develop the Wills Point compound.

41. GFA is now headquartered in a 350-acre compound, including a massive headquarters building, a multi-million dollar chapel, and 80+ single-family residences for members of the GFA religious order. Ironically, K.P. Yohannan once wrote about church construction in the United States (in his "Revolution in World Missions" book, at p. 47) thusly: "These extravagant [church] buildings are insanity from a Two-Thirds World perspective. The \$74 million spent on one new building in the United States could build thousands of average-sized churches in South Asia. The same \$74 million would be enough to guarantee that the Good News of Jesus Christ could be proclaimed to a whole Indian state—or even some of the smaller countries of Asia."



GFA's new Headquarters building, designed by HH Architects. See <http://www.patheos.com/blogs/warrenthrockmorton/2015/08/28/question-for-gospel-for-asia-how-many-indian-churches-would-45-million-build/> (last accessed February 2, 2016).

V. INDIVIDUAL ALLEGATIONS

42. Plaintiffs Garland D. Murphy, III, M.D. and Phyllis A. Murphy made several donations to GFA over the course of several years. They made each such donation only after learning of GFA's guarantee that it would apply 100% of every donation exactly as the Murphys designated.

43. For example, on December 29, 2012, the Murphys decided to donate \$225 to GFA's "Widows and Abandoned Children" fund. The Murphys viewed a webpage on GFA's website discussing the "Widows and Abandoned Children" fund.

In South Asian culture, most widows are seen as a curse and shunned from society. Depending on the circumstances, they're often ignored by even their close relatives.

Abandoned children also face extremely difficult conditions. On their own, they search for food in waste dumps and make their homes with trash and rubble.



Their Situation Can Improve

Your donation will provide Gospel for Asia-supported missionaries with the means to help these precious women and children of God.

Your gift will also give them the chance to hear about their Creator and a Savior that loves them so much that he died for their sins.

Know You Made a Difference

By giving to the widows and abandoned children of South Asia, you ensure that they're taken care of and shown love.

Continue this week knowing your action has truly made a difference.

Watch a video about a woman named Geeta. This video will help you better understand the plight of widows and children in South Asia.

Give to Widows and Abandoned Children


The webpage for the "Widows and Abandoned Children" fund at GFA.org (as it appeared in December, 2012). See <https://web.archive.org/web/20121105040732/http://www.gfa.org/ministries/widows-abandoned-children/> (last accessed February 6, 2017).

44. On December 29, 2012, with the understanding that GFA would apply 100% of their \$225 donation to the "Widows and Abandoned Children" fund in the Field, the Murphys made the donation through GFA's website. GFA provided the Murphys with a receipt (Exhibit 4 hereto) reciting the GFA 100% guarantee and noting that \$605 in donations, presumably including the December 29 donation, was designated to the "Widows and Abandoned Children" fund.

Account Activity January 02, 2012 - December 31, 2012

Date	Code	Description	Amount
Summary	4000	10 National Missionary gifts	\$390.00
Summary	1040105579	156 Bridge of Hope gifts	\$5,677.00
Summary	1003	2 Bio Sand Water Filters gifts	\$120.00
Summary	1102	4 GFA Bible Society gifts	\$620.00
Summary	4030	4 Widows and Abandoned Children gifts	\$605.00

The Murphys' 2012 Annual Receipt documenting their gifts to GFA's "Widows and Abandoned Children" fund. Exhibit 4 hereto.



Total Received \$8,922.00

All contributions to Gospel for Asia are income tax deductible to the extent allowed by law, and are made with the understanding that GFA has complete discretion and control over the use of all donated funds. However, we are committed to apply your gifts according to your preferences.

Other than reflected on this statement, no goods or services, in part or in whole, were provided in exchange for these gifts.

The value of non-cash donations are not included in this statement.

As a charter member of the Evangelical Council for Financial Accountability (ECFA), GFA maintains the highest standards of financial integrity and Christian ethics, and is governed by a responsible board of directors. Our books are audited annually by an independent accounting firm, and copies our financial statements are available upon request.

One hundred percent of all contributions given for use on the mission field are sent to the mission field.

tion below will help reduce overhead expenses related to processing gifts.

The 2012 Annual Receipt the Murphys received from GFA, bearing the GFA 100% Guarantee, a statement that GFA is "committed to apply your gifts according to your preferences," and the ECFA and ICA seals of approval and assurances thereby (valid at the time this receipt was issued). Exhibit 4 hereto.

45. Every single donation the Murphys made to GFA was made only with the understanding, based entirely on Defendants' representations, that 100% of the donation would be applied exactly as designated by the Murphys. As detailed above, however, Defendants misdirected money the Murphys donated to GFA to purposes the Murphys

did not designate. Had the Murphys known that Defendants would not apply 100% of every donation exactly as they designated, they would not have donated to GFA.

VI. CLASS ALLEGATIONS

46. Plaintiffs seek to represent the following Class:

All persons in the United States who donated money to GFA within the applicable statutes of limitations. Excluded from the Class are Defendants and their subsidiaries and affiliates; all persons who make a timely election to be excluded from the Class; governmental entities; and the Judge to whom this case is assigned and his/her immediate family.

Plaintiffs reserve the right to revise the Class definition based upon information learned through discovery.

47. Certification of Plaintiffs' claims for class-wide treatment is appropriate because Plaintiffs can prove the elements of their claims on a class-wide basis using the same evidence as would be used to prove those elements in individual actions alleging the same claims.

48. This action has been brought and may be properly maintained on behalf of the Class proposed herein under Federal Rule of Civil Procedure 23.

49. Numerosity. Federal Rule of Civil Procedure 23(a)(1): The members of the Class are so numerous and geographically dispersed that individual joinder of all Class members is impracticable. While Plaintiffs are informed and believe that there are not less than tens of thousands of members of the Class, the precise number of Class members is unknown to Plaintiffs, but may be ascertained from Defendants' books and records. Class members may be notified of the pendency of this action by recognized,

Court-approved notice dissemination methods, which may include U.S. mail, electronic mail, Internet postings, and/or published notice.

50. Commonality and Predominance. Federal Rule of Civil Procedure 23(a)(2) and 23(b)(3): This action involves common questions of law and fact, which predominate over any questions affecting individual Class members, including, without limitation:

- a) Whether Defendants engaged in the conduct alleged herein;
- b) Whether Defendants' conduct violates RICO, consumer protection statutes, and other laws as asserted herein;
- c) Whether Plaintiffs and the other Class members are entitled to equitable relief, including, but not limited to, restitution or injunctive relief; and
- d) Whether Plaintiffs and the other Class members are entitled to damages and other monetary relief and, if so, in what amount.

51. Typicality. Federal Rule of Civil Procedure 23(a)(3): Plaintiffs' claims are typical of the other Class members' claims because, among other things, all Class members were comparably injured through Defendants' wrongful conduct as described above.

52. Adequacy. Federal Rule of Civil Procedure 23(a)(4): Plaintiffs are adequate Class representatives because their interests do not conflict with the interests of the other members of the Class they seek to represent; Plaintiffs have retained counsel competent and experienced in complex class action litigation; and Plaintiffs intend to prosecute this action vigorously. The interests of the Class will be fairly and adequately protected by Plaintiffs and their counsel.

53. Declaratory and Injunctive Relief. Federal Rule of Civil Procedure 23(b)(2): Defendants have acted or refused to act on grounds generally applicable to Plaintiffs and the other members of the Class, thereby making appropriate final injunctive relief and declaratory relief, as described below, with respect to the Class as a whole.

54. Superiority. Federal Rule of Civil Procedure 23(b)(3): A class action is superior to any other available means for the fair and efficient adjudication of this controversy, and no unusual difficulties are likely to be encountered in the management of this class action. The damages or other financial detriment suffered by Plaintiffs and the other Class members are relatively small compared to the burden and expense that would be required to individually litigate their claims against Defendants, so it would be impracticable for Class members to individually seek redress for Defendants' wrongful conduct. Even if Class members could afford individual litigation, the court system could not. Individualized litigation creates a potential for inconsistent or contradictory judgments, and increases the delay and expense to all parties and the court system. By contrast, the class action device presents far fewer management difficulties, and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court.

COUNT I
VIOLATIONS OF THE RACKETEER INFLUENCED AND CORRUPT
ORGANIZATIONS ACT
18 U.S.C. §§ 1961-1968

55. Plaintiffs reallege and incorporate by reference all paragraphs as though fully set forth herein.

56. Defendant Gospel for Asia, Inc. is an enterprise engaged in and whose

activities affect interstate commerce. Defendants Gospel for Asia-International, K.P. Yohannan, Gisela Punnose, Daniel Punnose, Carroll, and Emerick are employed by or associated with the enterprise.

57. As described in detail in the factual allegations above, Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiffs and the Class. Defendants intentionally made materially false representations to Plaintiffs and the members of the Class that resulted in their contributions of money for charitable purposes to their detriment.

58. Pursuant to and in furtherance of the fraudulent scheme, on multiple, continuous occasions over the course of several years, Defendants used the United States mails, the internet, radio, and made multiple interstate telephone calls to solicit Plaintiffs and the other members of the Class, and to receive contributions of money from Plaintiffs and the other members of the Class.

59. Defendants have therefore committed multiple instances of mail fraud under 18 U.S.C. § 1341 and wire fraud under 18 U.S.C. § 1343, continuously over the course of several years.

60. These acts, as described in detail in the factual allegations above, constitute a pattern of racketeering activity pursuant to 18 U.S.C. § 1961(5). Defendants, through the above-described acts, directly and indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering activity, in violation of 18 U.S.C. § 1962(c). Defendants' practices and commissions of mail fraud are all related, as described in detail above, extend over a substantial period of time

spanning several years, and pose a threat of continued unlawful and criminal activity.

61. As a direct and proximate result of Defendants' racketeering activities and violations of 18 U.S.C. § 1962(c), Plaintiffs and the members of the Class have been injured in their business and property in the amounts of the monies they donated, and the Defendants are liable to Plaintiffs and the members of the Class, jointly and severally, for all actual damage caused in an amount to be proved at trial, trebled pursuant to 18 U.S.C. § 1964(c).

COUNT II FRAUD

62. Plaintiffs reallege and incorporate by reference all paragraphs as though fully set forth herein.

63. As described in detail in the factual allegations above, Defendants made false representations to Plaintiffs and the members of the Class that contributions solicited for charitable purposes shall be spent in a specific manner or for specified purposes. Defendants intentionally denied Plaintiffs and the other Class members information that is highly relevant to their decision to contribute money for charitable purposes, in particular the material information that significant portions of each contribution would not be spent by Defendants as specified by Plaintiffs and the other Class members. If Defendants had fully disclosed to Plaintiffs and the Class that their contributions would not be spent as they specified, Plaintiffs and the members of the Class would not have made the contributions.

64. Defendants knew their representations were false when made.

65. Defendants intentionally made the false representations in order to induce

Plaintiffs and the members of the Class to contribute money, and Plaintiffs and the members of the Class reasonably contributed money as a result.

66. Plaintiffs and the other Class members have as a result been injured in an amount to be proved at trial.

67. Defendants' conduct was knowing, intentional, demonstrated a complete lack of care, or was in reckless disregard for the rights of Plaintiff and the other Class members.

68. Plaintiffs and the other Class members are therefore entitled to an award of punitive damages.

COUNT III
VIOLATIONS OF THE ARKANSAS DECEPTIVE TRADE PRACTICES ACT
Ark. Code Ann. §§ 4-88-101, *et seq.*

69. Plaintiffs reallege and incorporate by reference all paragraphs as though fully set forth herein.

70. Plaintiffs have standing to pursue this claim under Ark. Code Ann. § 4-88-113(f).

71. As described in detail in the factual allegations above, Defendants made false representations to Plaintiffs and the members of the Class that contributions solicited for charitable purposes shall be spent in a specific manner or for specified purposes, in direct violation of Ark. Code Ann. § 4-88-107(a)(7).

72. Defendants' false representations were materially misleading to Plaintiffs and the Class in that they resulted in Plaintiffs and the Class contributing money that they otherwise would not have contributed.

73. As a direct result of Defendants' false representations, Plaintiffs and the Class have been injured by the Defendants, jointly and severally, in an amount to be proved at trial.

COUNT IV UNJUST ENRICHMENT

74. Plaintiffs reallege and incorporate by reference all paragraphs as though fully set forth herein.

75. As described in detail in the factual allegations above, Defendants intentionally made materially false representations to Plaintiffs and the members of the Class that resulted in their contributions of money for charitable purposes to their detriment.

76. Under these circumstances as described in detail above, Defendants have received money from Plaintiffs and the members of the Class that Defendants, in equity and good conscience, ought not retain.

77. As a result, Defendants are liable in restitution to Plaintiffs and the members of the Class to disgorge and remit to Plaintiffs and the Class all monies contributed, in an amount to be proved at trial.

REQUEST FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of members of the Class, respectfully request that the Court enter judgment in their favor and against Defendants, as follows:

A. Certification of the proposed Class, including appointment of Plaintiffs'

counsel as Class Counsel;

B. An order temporarily and permanently enjoining Defendants from continuing the unlawful, deceptive, fraudulent, and unfair practices alleged in this Complaint;

C. Costs, restitution, damages, including punitive damages, and disgorgement in an amount to be determined at trial;

D. An order requiring Defendants to pay both pre- and post-judgment interest on any amounts awarded;


E. An award of costs and attorneys' fees; and

F. Such other or further relief as may be appropriate.

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a jury trial.

DATED this 16th day of February, 2017. Respectfully submitted,



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Counsel for Plaintiffs and the Class

EXHIBITS TO CLAIM
INTENTIONALLY EXCLUDED

Exhibit I

This is **Exhibit "I"** referred to in
the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

United States District Court
Western District of Arkansas
Fayetteville Division

Garland D. Murphy, III, M.D., §
and Phyllis Murphy, §
individually and on behalf of §
all others similarly situated, §

Plaintiffs, §

v. §

Case no. **5:17-CV-5035 ELW**

Gospel for Asia, Inc., §
Gospel for Asia-International, §
K.P. Yohannan, Gisela Punnose, §
Daniel Punnose, David Carroll, §
and Pat Emerick, §

Defendants. §

Settlement Agreement And Release

Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, Plaintiffs Garland D. Murphy, III, MD and Phyllis Murphy, on behalf of themselves and all others similarly situated, respectfully submit this Settlement Agreement and Release, executed by them and by Defendants Gospel for Asia, Inc., K.P. Yohannan, Gisela Punnose, Daniel Punnose, David Carroll, and Pat Emerick.

Dated: February 28, 2019

Respectfully submitted,

/s/ Marc R. Stanley

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Of Counsel for Plaintiffs and the Class

Certificate of Service

The undersigned hereby certifies that true and correct copies of the foregoing were served on February 28, 2019, on the following counsel of record via the method indicated:

Harriet E. Miers, via email:	hmiers@lockelord.com
Robert T. Mowrey, via email:	rmowrey@lockelord.com
Paul F. Schuster, via email:	pschuster@lockelord.com
Cynthia K. Timms, via email:	ctimms@lockelord.com
Matthew H. Davis, via email:	mdavis@lockelord.com
Steven Shults, via email:	sshults@shultslaw.com
John T. Adams, via email:	jadams@shultslaw.com

/s/ Marc R. Stanley

Marc R. Stanley

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release is entered into between and among Plaintiffs Garland D. Murphy, III, MD, and Phyllis Murphy (“Murphy Plaintiffs” or “Plaintiffs”), on behalf of themselves and all Settlement Class Members as defined herein on the one hand, and Gospel for Asia, Inc. (“GFA-USA”), Gospel for Asia-International¹, K.P. Yohannan, Gisela Punnose, Daniel Punnose, David Carroll, and Pat Emerick (Yohannan, Gisela Punnose, Daniel Punnose, Carroll, and Emerick, collectively, the “Individual Defendants”) (GFA-USA, Gospel for Asia-International, and the Individual Defendants, collectively, the “Defendants”), on the other. Plaintiffs and Defendants are referred to collectively in this Settlement Agreement as the “Parties.”

1. RECITALS

1.1. On February 8, 2016, Matthew Dickson and Jennifer Dickson (“Dickson Plaintiffs”) filed their Original Class Action Complaint, a putative nationwide class action in the United States District Court for the Western District of Arkansas, Fayetteville Division (Case No. 5-16-cv-5027-PKH), alleging violations of the Racketeer Influenced and Corrupt Organizations Act (“RICO”), fraud, violations of the Arkansas Deceptive Trade Practices Act (“ADTPA”), and unjust enrichment (the “Dickson Litigation”).

1.2. On November 28, 2018, the Dickson Litigation was dismissed without prejudice because the Dickson Plaintiffs’ claims were subject to binding arbitration.

1.3. On February 16, 2017, Murphy Plaintiffs filed their Original Class Action Complaint, a putative nationwide class action in the United States District Court for the Western District of Arkansas, Fayetteville Division (Case No. 5:17-cv-5035-TLB), alleging violations of RICO, fraud, violations of the ADTPA, and unjust enrichment identical to those in the Dickson Litigation (the “Murphy Litigation”).

¹ Gospel for Asia-International is not presently in existence.

1.4. On January 19, 2018, Murphy Plaintiffs filed a motion seeking class certification under Rule 23(b)(3). Defendants opposed this motion. On September 10, 2018, the Court issued an opinion and order certifying a nationwide class (as modified in the opinion and order) for alleged RICO violations and an Arkansas subclass for violations of the ADTPA, fraud, and unjust enrichment.

1.5. The Parties and their counsel engaged in a day-long, in-person settlement conference with the Honorable Erin Wiedemann on January 31, 2019.

1.6. Defendants' position is that the evidence demonstrates (i) all funds designated to the field were sent to the field and used for ministry purposes; and (ii) no Individual Defendant, as defined herein, received any improper personal gain or enrichment from or related to donated funds. Without admitting any liability or wrongdoing whatsoever and expressly denying any such liability or wrongdoing and while maintaining they have substantial factual and legal defenses to all claims and class allegations in the Murphy Litigation and Dickson Litigation, Defendants agree to the terms of this Agreement in order to resolve all issues relating to the subject matter of the Released Claims, as defined herein.

2. DEFINITIONS

As used herein, the following terms have the meanings set forth below.

2.1. "Affiliate" of an entity means any person or entity which controls, is controlled by, or is under common control with such entity.

2.2. "Agreement" or "Settlement Agreement" means this Settlement Agreement and Release, including all exhibits thereto.

2.3. "Approved Claim" means a Claim submitted by a Settlement Class Member that is timely and submitted in accordance with the directions on the Claim Form and the terms of this Agreement.

2.4. “Attorneys’ Fees and Expenses” means such funds as may be awarded to Class Counsel by the Court to compensate them (and all other attorneys for Murphy Plaintiffs or the Settlement Class) for their fees and all expenses incurred by Plaintiffs or Class Counsel in connection with the Murphy or Dickson Litigation.

2.5. “Claim” means a written request for Settlement Relief submitted by a Settlement Class Member to the Settlement Administrator, pursuant to the Claim Form in a form substantially similar to one of the documents attached as Exhibit D to this Agreement or as ultimately approved by the Court.

2.6. “Claim Form” means documents in forms substantially similar to those attached as Exhibit D to this Agreement or as ultimately approved by the Court.

2.7. “Claimant” means any Settlement Class Member who submits an Approved Claim pursuant to this Settlement Agreement.

2.8. “Class Counsel” means the Stanley Law Group, the Bassett Law Firm, and Mills and Williams, LLP.

2.9. “Class Notice” means the program of notice described in Section 6 of this Agreement to be provided to potential Settlement Class Members, including the Mail Notice, Email Notice, and Website Notice on the Settlement Website, which will notify potential Settlement Class Members about, among other things, their rights to opt out or object to the Settlement, the preliminary approval of the Settlement, the manner by which to submit a Claim, and the scheduling of the Final Approval Hearing.

2.9.1. “Mail Notice” means the notice that is mailed by the Settlement Administrator to potential Settlement Class Members, in a form substantially similar to Exhibit A to this Agreement and/or as ultimately approved by the Court.

2.9.2. “Email Notice” means the notice that is emailed by the Settlement Administrator to potential Settlement Class Members, in a form substantially similar to Exhibit B to this Agreement and/or as ultimately approved by the Court.

2.9.3. “Website Notice” means the long-form notice that is available to Settlement Class Members on the Settlement Website, in a form substantially similar to Exhibit C to this Agreement and/or as ultimately approved by the Court.

2.10. “Court” means the United States District Court for the Western District of Arkansas.

2.11. “Days” means calendar days, except that, when computing any period of time prescribed or allowed by this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. Further, when computing any period of time prescribed or allowed by this Agreement, the last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday.

2.12. Deadlines. As used herein, the Parties agree to the following deadlines, subject to Court approval:

2.12.1. “Notice Deadline” means the last day for the Settlement Administrator to send Mail Notice and Email Notice to potential Settlement Class Members. Mail and Email Notice shall be sent within twenty-one (21) Days after the Court’s Preliminary Approval Order.

2.12.2. “Objection Deadline” means the date identified in the Preliminary Approval Order and Class Notice by which a Settlement Class Member must serve written objections, if any, to the Settlement in accordance with Section 12 of this Agreement to be able to object to the Settlement. The Objection Deadline shall be not later than sixty-six (66) Days after the entry of the Preliminary Approval Order.

2.12.3. “Opt Out Deadline” means the date identified in the Preliminary Approval Order and Class Notice by which a Request for Exclusion must be filed in writing with the Settlement Administrator in accordance with Section 11 of this Agreement in order for a potential Settlement Class Member to be excluded from the Settlement Class. The Opt-Out Deadline shall be no later than sixty-six (66) Days after the entry of the Preliminary Approval Order.

2.12.4. “Claim Deadline” means the last date by which a Claim submitted to the Settlement Administrator by a Settlement Class Member must be postmarked or submitted electronically, which will be ninety (90) Days after the Notice Deadline. All Claims postmarked or submitted electronically at the Settlement Website on or before the Claim Deadline shall be timely, and all Claims postmarked or submitted electronically at the Settlement Website after the Claim Deadline shall be untimely and barred from entitlement to any Settlement Relief, but those claims will still be released under this Agreement.

2.12.5. “Final Approval Motion Deadline” means the date by which Class Counsel shall file the motion seeking final approval of the Settlement, including any request for Attorneys’ Fees and Expenses. The Final Approval Motion Deadline shall be no later than seventy-five (75) Days after the entry of the Preliminary Approval Order.

2.13. “Defendants” means Gospel for Asia, Inc., Gospel for Asia-International, K.P. Yohannan, Gisela Punnose, Daniel Punnose, David Carroll, and Pat Emerick.

2.14. “Defense Counsel” or “Defendants’ Counsel” means the law firm of Locke Lord LLP.

2.15. “Dickson Litigation” means the civil action styled *Dickson v. Gospel for Asia, Inc., et al.*, No. 5:16-cv-5027-PKH (W.D. Ark.).

2.16. “Dickson Plaintiffs” means Jennifer Dickson and Matthew Dickson.

2.17. “ECFA” means the Evangelical Counsel for Financial Accountability.

2.18. “Final” with respect to the Final Approval Order, the Judgment, and any award of Attorneys’ Fees and Expenses means that the time for appeal or writ review has expired or, if an appeal or petition for review is taken and dismissed or the Settlement (or award of Attorneys’ Fees and Expenses) is affirmed, the time period during which further petition for hearing, appeal, or writ of certiorari can be taken has expired. If the Final Approval Order and/or Judgment is set aside, modified, or overturned by the Court or on appeal, and is not fully reinstated on further appeal, the Final Approval Order and/or Judgment shall not become Final.

2.19. “Final Approval” means the entry of the Judgment after the Final Approval Hearing.

2.20. “Final Approval Order” means the Order Granting Final Approval of Class Action Settlement and Dismissing Class Claims, to be entered by the Court pursuant to the Settlement and in a form substantially similar to Exhibit F.

2.21. “Final Approval Hearing” means the hearing held by the Court to determine whether the terms of this Agreement are fair, reasonable, and adequate for the Settlement Class as a whole, and whether the Final Approval Order and the Judgment should be entered. The Parties shall seek to have the Final Approval Hearing on a date not earlier than ninety (90) Days after the entry of the Preliminary Approval Order.

2.22. “Final Settlement Date” means the earliest date on which both the Final Approval Order and the Judgment are Final (as defined in Section 2.18). If no appeal has been taken from the Final Approval Order or the Judgment, the Final Settlement Date means the day after the last date on which either the Final Approval Order or the Judgment could be appealed. If any appeal has been taken from the Final Approval Order or from the Judgment, the Final Settlement Date means the date on which all appeals of either the Final Approval Order or the Judgment, including petitions for rehearing, petitions for rehearing en banc, and petitions for certiorari or any other

form of review, have been finally disposed of in a manner that affirms the Final Approval Order and the Judgment.

2.23. “GFA-USA” means Gospel for Asia, Inc.

2.24. “Individual Defendant” means K.P. Yohannan, Gisela Punnose, Daniel Punnose, David Carroll, or Pat Emerick.

2.25. “Judgment” means the judgment to be entered by the Court pursuant to Final Approval Order in a form substantially similar to Exhibit F-1.

2.26. “Lead Counsel” means Marc R. Stanley and Robert T. Mowrey.

2.27. “Murphy Litigation” means the civil action styled *Murphy v. Gospel for Asia, Inc., et al.*, No. 5:17-cv-5035-TLB (W.D. Ark.).

2.28. “Murphy Plaintiffs” means Garland D. Murphy, III, MD, and Phyllis Murphy.

2.29. “Notice and Administrative Costs” means all reasonable and authorized costs and expenses of disseminating and publishing the Class Notice in accordance with the Preliminary Approval Order, and all reasonable and authorized costs and expenses incurred by the Settlement Administrator in administering the Settlement, including but not limited to costs and expenses associated with providing any notices required by the Class Action Fairness Act, assisting Settlement Class Members, processing claims, escrowing funds, and issuing and mailing Settlement Relief.

2.30. “Plaintiffs” means the Murphy Plaintiffs.

2.31. “Plaintiffs’ Lead Counsel” means Marc R. Stanley.

2.32. “Preliminary Approval Application” means Murphy Plaintiffs’ motion for the Court to approve the Settlement preliminarily and to enter the Preliminary Approval Order, including all exhibits and documents attached thereto.

2.33. “Preliminary Approval Order” means the order in a form substantially similar to Exhibit E and providing for, among other things, preliminary approval of the Settlement as fair, reasonable, and adequate; preliminary certification of the Settlement Class for settlement purposes only; dissemination of the Class Notice to potential Settlement Class Members; and a finding that the proposed Class Notice is reasonably calculated to apprise potential Settlement Class Members of the pendency of the Murphy Litigation and the Court’s certification of the Settlement Class, the material terms of the proposed Settlement, and potential Settlement Class Members’ options and rights with respect thereto.

2.34. “Release” or “Releases” means the releases of all Released Claims by the Releasing Persons against the Released Persons, as provided for in Section 10 of the Settlement Agreement.

2.35. “Released Claims” means the claims released as provided for in Section 10 of the Settlement Agreement.

2.36. “Released Persons” means Defendants, direct or indirect subsidiaries of Defendants, and each of their respective divisions, parents, subsidiaries, predecessors, investors, parent companies, and Affiliates, whether past or present, and all of the officers, directors, employees, agents, brokers, distributors, representatives, insurers, accountants and attorneys of all such entities. For the avoidance of doubt, “Released Persons” specifically includes all persons and/or entities identified as potential alter egos of Defendants in the Murphy Litigation [ECF 38], as well as all of their officers, directors, employees, clergy, missionaries, agents, brokers, distributors, representatives, insurers, accountants, and attorneys.

2.37. “Releasing Persons” means Plaintiffs, all Settlement Class Members, and anyone claiming through them such as heirs, administrators, successors, and assigns.

2.38. “Request for Exclusion” means a written request from a potential Settlement Class Member that seeks to exclude the potential Settlement Class Member from the Settlement Class and that complies with all requirements in Section 11 of this Agreement.

2.39. “Settlement” or “Stipulation of Settlement” means the settlement set forth in this Agreement.

2.40. “Settlement Administrator” means a third-party agent or administrator selected jointly by the Parties to help implement and effectuate the terms of this Settlement Agreement. The Parties agree to propose Heffler Claims Group as the Settlement Administrator.

2.41. “Settlement Class” or “Class” means the class of persons that will be certified by the Court for settlement purposes only, as more fully described in Section 3.1 herein.

2.42. “Settlement Class Member” means any person who falls within the definition of the Settlement Class and who has not submitted a valid Request for Exclusion.

2.43. “Settlement Class Period” shall commence on January 1, 2009, and shall continue through and including the date of the Preliminary Approval Order.

2.44. “Settlement Class Recovery” means the amount of the Settlement Fund available for distribution to Claimants after payment of Notice and Administrative Costs and any Court-approved Attorneys’ Fees and Expenses.

2.45. “Settlement Fund” means the \$37,000,000 described in Section 4.2 that GFA-USA has agreed to pay pursuant to the terms of this Settlement Agreement.

2.46. “Settlement Relief” means the payment to be made from the Settlement Fund to Settlement Class Members who submit Approved Claims.

2.47. “Settlement Website” means the Internet site created by the Settlement Administrator pursuant to Section 6.3 of this Agreement, which shall have the Uniform Resource Locator of www.gfaaclassaction.us.

2.48. “Settling Parties” means, collectively, Defendants, Plaintiffs, and all Releasing Persons.

2.49. “Special Discovery Master” means David R. Cohen and any individual or entity working on his behalf.

3. CLASS DEFINITION AND CONDITIONS AND OBLIGATIONS RELATING TO THE EFFECTIVENESS OF THE SETTLEMENT

3.1. The “Settlement Class” shall be as follows:

All persons in the United States who donated money to GFA-USA from January 1, 2009 through the date the Settlement Class is certified for Project Codes 1000-4900. Excluded from the class are unknown donors; Defendants, their subsidiaries, and affiliates; all persons who make a timely election to be excluded from the Class; the Special Discovery Master appointed in this case; and the Judge and Magistrate Judge to whom this case is assigned and their immediate families.

3.2. This Settlement Agreement is expressly contingent upon the satisfaction, in full, of the material conditions set forth below. In the event that the Settlement is not finally approved, GFA-USA shall be refunded any money that has not yet been expended.

3.3. Claims of former employees of GFA-USA may be subject to binding arbitration, as confirmed in the Dickson Litigation. By agreeing to this Settlement, Defendants do not waive their right to require binding arbitration of any claims asserted by any former employee who submits a timely Request for Exclusion or otherwise attempts to assert a claim against Defendants.

3.4. Condition No. 1: District Court Approval: The Settlement must be approved by the Court in accordance with the following steps:

3.4.1. Application for Preliminary Approval of Proposed Settlement, Class Certification, and Class Notice: After good-faith consultation with Defense Counsel, Class Counsel will present a Preliminary Approval Application to the Court no later than February 28, 2019, or as otherwise set by the Court. The Preliminary Approval Application shall include Class Notice, in forms substantially similar to Exhibits A, B, and C. The Settling Parties shall, in good

faith, take reasonable steps to secure expeditious entry by the Court of the Preliminary Approval Order.

3.4.2. Settlement Class Certification: In connection with the proceedings on Preliminary and Final Approval of the proposed Settlement, Plaintiffs shall seek orders (preliminary and final, respectively) certifying the Settlement Class pursuant to Rule 23 of the Federal Rules of Civil Procedure.

3.4.3. CAFA Notice: Defendants shall work with the Class Administrator for it to serve the notices required by the Class Action Fairness Act, 28 U.S.C. § 1715(b). No later than 10 days before the Final Approval Hearing, Defendants shall file with the Court one or more declarations stating that Defendants have complied with their notice obligations through notices served by the Class Administrator.

3.4.4. Entry of Preliminary Approval Order: The Court shall enter a Preliminary Approval Order in a form substantially similar to Exhibit E, which shall, among other things:

(a) Certify for purposes of settlement a nationwide Settlement Class, approving Plaintiffs as class representatives and appointing Class Counsel, pursuant to Rule 23 of the Federal Rules of Civil Procedure;

(b) Preliminarily approve the Settlement as fair, reasonable and adequate;

(c) Order the issuance of Class Notice to the Settlement Class, and determine that such Class Notice complies with all legal requirements, including, but not limited to, the Due Process Clause of the United States Constitution;

(d) Schedule a date and time for a Final Approval Hearing to determine whether the Preliminary Approval Order should be finally approved by the Court;

(e) Require Settlement Class Members who wish to exclude themselves to submit an appropriate and timely written request for exclusion by the Opt-Out Deadline, as directed in the Settlement Agreement and Class Notice, and advise that a failure to do so shall bind those Settlement Class Members who remain in the Settlement Class;

(f) Require Settlement Class Members who wish to object to the Settlement Agreement to submit an appropriate and timely written statement by the Objection Deadline, as directed in the Settlement Agreement and Class Notice, and advise that a failure to do so shall prevent those Settlement Class Members from doing so;

(g) Authorize the Settling Parties to take all necessary and appropriate steps to establish the means necessary to implement the Settlement Agreement; and

(h) Issue related orders as necessary to effectuate the preliminary approval of the Settlement Agreement.

3.4.5. Issuance of Class Notice: Pursuant to the Preliminary Approval Order to be entered by the Court, the Settlement Administrator shall cause the Class Notice to be issued in accordance with Section 6 below.

3.4.6. Final Approval Hearing: In connection with the Preliminary Approval Application, the Parties shall request that the Court schedule and conduct a hearing after dissemination of Class Notice, at which time it will consider whether the Settlement is fair, reasonable, and adequate pursuant to Rule 23 of the Federal Rules of Civil Procedure. Specifically, Plaintiffs and Class Counsel, after good faith consultation with Defendants and Defense Counsel, shall request that, on or after the Final Approval Hearing, the Court: (i) enter the Final Approval Order and the Judgment; and (ii) determine the Attorneys' Fees and Expenses that should be awarded to Class Counsel as contemplated in the Settlement Agreement, which Attorneys' Fees shall not exceed one-third of the Settlement Fund and which Expenses shall not exceed \$750,000.

The Settling Parties agree to support entry of the Final Approval Order and the Judgment. The Settling Parties will reasonably cooperate with one another in seeking entry of the Final Approval Order and of the Judgment.

3.5. Condition No. 2: Finality of Judgment: The Court shall enter the Final Approval Order and the Judgment in forms substantially similar to Exhibits F and F-1, respectively. The Final Approval Order and the Judgment must become Final in accordance with Section 2.18 above, and shall, among other things:

(a) Find that (1) the Court has personal jurisdiction over all Settlement Class Members; (2) the Court has subject matter jurisdiction over the claims asserted in this Murphy Litigation; and (3) venue is proper;

(b) Finally approve the Settlement Agreement, pursuant to Rule 23 of the Federal Rules of Civil Procedure, as fair, reasonable, and adequate;

(c) Finally certify the Settlement Class for settlement purposes only;

(d) Find that the form and means of disseminating the Class Notice complied with all laws, including, but not limited to, the Due Process Clause of the United States Constitution;

(e) Enter the Final Approval Order and the Judgment with respect to the claims of all Settlement Class Members and dismiss the claims of all Settlement Class Members and the Murphy Litigation with prejudice;

(f) Make the Releases in Section 10 of the Settlement Agreement effective as of the date of Final Approval;

(g) Permanently bar Plaintiffs and all Settlement Class Members who have not opted out of the Settlement from filing, commencing, prosecuting, intervening in, or participating in (as class members or otherwise) any action in any jurisdiction for the Released Claims;

(h) Find that, by operation of the entry of the Judgment, Plaintiffs and all Settlement Class Members who have not opted out of the Settlement shall be deemed to have forever released, relinquished, and discharged the Released Persons from any and all Released Claims;

(i) Authorize the Settling Parties to implement the terms of the Settlement Agreement, including any non-monetary relief described herein;

(j) Retain jurisdiction relating to the administration, consummation, enforcement, and interpretation of the Settlement Agreement, the Final Approval Order, and the Judgment, and for any other necessary purpose; and

(k) Issue related orders to effectuate the Final Approval of the Settlement Agreement and its implementation.

3.6. Condition Three: Dismissal: The dismissal with prejudice of all Released Claims.

4. SETTLEMENT CONSIDERATION, BENEFITS, AND OTHER RELIEF

4.1. In consideration for the Releases set forth in Section 10, Defendants will provide the following benefits.

4.2. Settlement Monetary Consideration:

4.2.1. GFA-USA will fund a non-reversionary common Settlement Fund of \$37,000,000, from which all Settlement Relief, Attorneys' Fees and Expenses, and Notice and Administrative Costs will be deducted. The Settlement Fund represents the limit and total extent of Defendants' monetary obligations under this Agreement and the Settlement. In no event shall Defendants' total financial liability with respect to this Agreement and the Settlement exceed \$37,000,000.

4.2.2. GFA-USA will fund the Settlement Fund as follows: (a) within thirty (30) Days following entry of the Preliminary Approval Order, GFA-USA will transfer \$26,000,000 to

the Settlement Administrator (via wire instructions provided by the Settlement Administrator to GFA-USA) to an interest-bearing escrow account; and (b) GFA-USA will raise \$11,000,000 within twelve (12) months of the date of the entry of the Final Approval Order, which will be transferred to the Settlement Administrator (via wire instructions provided by the Settlement Administrator to GFA-USA) to an interest-bearing escrow account, on or before the end of the twelfth month after the Agreement is executed. The Settlement Administrator will hold those amounts until such time as the Settlement Administrator is authorized to use or pay those funds, including for any authorized up-front Notice and Administrative Costs, pursuant to the Settlement Agreement, the Preliminary Approval Order, the Final Approval Order, or the Judgment.

4.2.3. The Parties recognize that the funds payable under Section 4.2.2 were donated to GFA-USA for use in the field. The Parties have agreed that local funds could be and have been or will be used by GFA-USA's field partners to ensure the satisfaction of all designations related to the funds identified in Section 4.2.2. GFA-USA's field partners will provide documentation that all such designations were satisfied, and Class Counsel will provide written confirmation of the adequacy of such documentation on or before the date the Preliminary Approval Order is entered.

4.2.4. To the extent the funds to be raised under Section 4.2.2(b) are raised through donations, they shall be raised through solicitations for general ministry purposes. To secure the obligation of GFA-USA to fund the additional \$11,000,000 to the Settlement Administrator, GFA-USA shall grant a deed of trust lien for the benefit of the Settlement Administrator against the GFA-USA campus, such deed of trust to be in the form attached hereto as Exhibit G (the "Deed of Trust"). At such time as the \$11,000,000 is transferred to the Settlement Administrator pursuant to Section 4.2.2(c), the Deed of Trust shall be released. If all

or any portion of the \$11,000,000 is not transferred by the deadline stated in Section 4.2.2(c), the Deed of Trust will remain in place with respect to any unraised amount.

4.2.5. The Court shall retain continuing jurisdiction over the Settlement Fund sufficient to satisfy the requirements of 26 C.F.R. § 1.468B-1. The Settlement Administrator shall at all times seek to have the Settlement Fund treated as a “qualified settlement fund” as that term is defined in 26 C.F.R. § 1.468B-1. The Settlement Administrator shall cause any taxes imposed on the earnings of the Settlement Fund, if any, to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Settlement Fund under applicable tax laws. The Settlement Administrator shall be the “administrator” of the Settlement Fund pursuant to 26 C.F.R. § 1.468B-2(k)(3).

4.2.6. Each Claimant, upon certification by the Settlement Administrator that he is or was a donor to GFA-USA during the Class Period, shall be entitled to receive Settlement Relief. The amount of Settlement Relief shall be equal to the Settlement Class Recovery divided by the total amount of Approved Claims after accounting for Attorney’s Fees and Expenses and Notice and Administration Costs. No interest shall be included as an element of, or be payable or paid on, any claimed amount.

4.2.7. All payments issued to Claimants via check will state on the face of the check that the check will expire and become null and void unless cashed within one hundred and eighty (180) Days after the date of issuance.

4.2.8. No amount of the Settlement Fund shall revert to Defendants. If, after payments to Claimants have been made and the deadline for cashing Claimants’ checks has passed, funds remain in the Settlement Fund sufficient to make it feasible to make a second payment to Claimants (e.g., payment of \$1.00 or more, after administrative expenses for issuing and mailing that check), a second distribution shall be made. Such second distribution shall be made until

administratively infeasible. Any unclaimed funds after the second distribution will be disbursed to an appropriate Christian charitable organization. Defendants agree not to object to the suggestion that the Court distribute unclaimed funds evenly to: (i) Samaritan's Purse; (ii) Friends of Israel; (iii) Global Training Network; (iv) Heaven's Family; and (v) Christ for All Peoples, all of which must be certified by the ECFA as of the date of each distribution.

4.2.9. If for any reason the Final Approval Order and/or the Judgment does not become Final within the meaning of Section 2.18, all money in the Settlement Fund, including the interest accumulated, shall be returned to GFA-USA within five (5) Days after the occurrence of the condition or event that prevents the Final Approval Order and/or the Judgment from becoming Final.

4.3. Settlement Non-Monetary Consideration:

4.3.1. Upon the entry of the Final Approval Order, Gisela Punnose will resign her position on GFA-USA's board and shall be replaced by an individual mutually acceptable to GFA-USA and Dr. Murphy. Should said board position vacate during the three years commencing from the date of the entry of the Final Approval Order, any and all replacements to said board position shall be again subject to the mutual approval of GFA-USA and Dr. Murphy. In the event Dr. Murphy is unable to approve the appointment, Phyllis Murphy may approve under these same rules. Upon the expiration of the three (3) year term, this board position may be filled by any individual chosen by GFA-USA in its sole discretion.

4.3.2. No new board members may be related to K.P. Yohannan by blood or marriage for a period of three (3) years commencing upon the entry of the Final Approval Order, except that if K.P. Yohannan or Daniel Punnose vacate their board positions during this period, their replacements shall not be restricted by this Section 4.3.2.

4.3.3. GFA-USA will add a ninth position to its board, which shall be filled by Garland D. Murphy, III, MD, and/or his designee(s), either of whom will sit on the board for a three (3) year term commencing from the date of the entry of the Final Approval Order. If a designee of Dr. Murphy, such designee must be approved by the other board members, such approval not to be unreasonably withheld. As soon as is practicable after appointment to the board, Dr. Murphy and/or his designee shall comply with normal board practice by visiting the field at the cost of GFA-USA. If Dr. Murphy or his designee's position becomes vacant during the three-year term, Dr. Murphy may designate a replacement for the vacant board seat. In the event Dr. Murphy is unable to designate, Phyllis Murphy may designate a replacement under these same rules. Upon the expiration of the three (3) year term, the board position described in Section 4.3.3 may be filled by any individual chosen by GFA-USA in its sole discretion.

4.3.4. GFA-USA will require all members of its board, including any members added pursuant to this Agreement to undergo training related to the obligations and duties for individuals serving on a non-profit board.

4.3.5. GFA-USA will publish annual reports of all work accomplished with donated funds.

4.3.6. GFA-USA will ensure that solicitations to donors disclose that moneys are raised for ministry purposes, regardless of any particular designation, and that GFA-USA retains discretion to use donated funds in any manner that serves ministry purposes.

4.3.7. The Individual Defendants shall provide verified financial information related to their financial status, in the form attached as Exhibit H upon the entry of the Preliminary Approval Order, and Class Counsel will provide written confirmation of the adequacy of such verified financials on or before the date the Final Approval Order is entered.

4.3.8. GFA-USA may seek re-admission to the ECFA and will attempt to comply with all ECFA guidelines that are consistent with its mission of providing resources to work in foreign countries. The Class and Class Counsel will not oppose any such readmission.

4.3.9. Upon the entry of the Final Approval Order, GFA-USA will create a board sub-committee that will exist for three (3) years or until GFA-USA is recertified by the ECFA and consist of five (5) board members, which shall include Dr. Murphy or his designee(s) and which shall not include K.P. Yohannan or Daniel Punnose, to monitor GFA-USA's compliance with this Agreement. The sub-committee while in existence shall produce a confidential annual report which shall be delivered to the board, the Honorable Erin Wiedemann, and Lead Counsel.

5. RETENTION OF SETTLEMENT ADMINISTRATOR AND COSTS

5.1. The Parties agree to jointly propose Heffler Claims Group as the Settlement Administrator, to process claims, field calls and correspondence from Settlement Class Members, and disburse amounts from the Settlement Fund.

5.2. All Notice and Administrative Costs will be paid from the Settlement Fund, and Defendants' only responsibility regarding such costs is to fund the Settlement Fund.

5.3. The Settlement Administrator shall administer the Settlement in a cost-effective and timely manner. Without limiting any of its other obligations as stated herein, the Settlement Administrator shall be responsible for Mail Notice, Email Notice, Website Notice, the Settlement Website (all as described in Section 6), administration of Settlement Relief, and providing all other related support, reporting, and administration as further stated in this Agreement.

5.4. Defendants will coordinate with the Settlement Administrator to provide Mail Notice and Email Notice to the Settlement Class, as provided in this Settlement Agreement, with Class Counsel's and Defendants' Counsel's participation and oversight. Because the information about Settlement Class Members that will be provided to the Settlement Administrator will consist

of confidential information, non-public personal information, and other information protected by privacy laws, any such information shall be deemed “Confidential-Attorneys’ Eyes Only” under ¶ 6 of the protective order entered in the Murphy Litigation [ECF 25], and shall be used only for the purpose of administering this Settlement.

5.5. W9 Forms: The Settlement Administrator shall complete and provide to GFA-USA any W9 forms necessary for GFA-USA to implement this Settlement.

6. NOTICE TO THE CLASS

6.1. Mail Notice: Subject to the requirements of the Preliminary Approval Order, Notice to those members of the Settlement Class for whom the electronic records of GFA-USA reflect a last known mailing address, shall be by means of separate first-class mailings to those names and addresses.

6.1.1. The Mail Notices shall all be mailed within twenty-one (21) Days after the Court’s Preliminary Approval Order.

6.1.2. The Mail Notice of Class Action, Proposed Settlement, Final Approval Hearing, Right to Appear, Instructions and Class Action Claim Form shall detail how those Settlement Class members so desiring may opt out or object to the settlement, and how members of the Class may make a claim for settlement relief as described in Section 7.1 below.

6.1.3. The Mail Notice shall include Instructions and a detachable postage-paid Claim Form in a form substantially similar to Exhibit A to this Agreement or as ultimately approved by the Court (provided that the font size, folding, and other printing elements or presentation may be adjusted to accommodate a booklet format and for efficient envelope and postage considerations). The Claim Form (printed and online) will detail the aggregate amount of contributions made by the Class Member during the Settlement Class Period. The Settlement

Administrator shall run the mailing list through the National Change of Address database (“NCOA”) before mailing.

6.1.4. The Parties shall also prepare a Spanish-language translation of the Mail Notice, Claim Instructions, and Claim Form, to be made available at the Settlement Website.

6.1.5. After posting of the Mail Notice by the Settlement Administrator with the United States Postal Service, for any Mail Notices returned as undeliverable, the Settlement Administrator may run reverse-lookups to obtain better addresses for such returned Notices, and should such efforts indicate a possible alternate address, the Settlement Administrator may post the returned Mail Notice to the alternative address; provided, however, that if a determination is made in good faith by the Settlement Administrator that it is not possible to further update any particular Settlement Class Member’s address(es) in sufficient time to repost the Class Notice(s) at least twenty (20) Days before the scheduled Final Approval Hearing, then the Settlement Administrator need make no further efforts to provide further Mail Notice to such person(s).

6.1.6. All costs of Mail Notice will be paid from the Settlement Fund, and Defendants’ only responsibility regarding such costs is to fund the Settlement Fund.

6.2. Email Notice: Defendants will provide the Settlement Administrator with email addresses for Class Members to the extent those email addresses are known and readily available in Defendants’ records.

6.2.1. The Settlement Administrator will send an Email Notice of the Settlement to the email addresses provided by Defendants no later than the posting of the Mail Notice, in a form substantially similar to Exhibit B to this Agreement or as ultimately approved by the Court. The text of the Email Notice will also contain a link to the Settlement Website described in Section 6.3, at which copies of the Stipulation of Settlement and Exhibits, the Mail Notice, Instructions and the Class Action Claim Form may be downloaded, and where Claims may be submitted.

6.2.2. All costs of Email Notice will be paid from the Settlement Fund, and Defendants' only responsibility regarding such costs is to fund the Settlement Fund.

6.3. Settlement Website: No later than the posting of the Mail Notice, the Settlement Administrator shall establish a Settlement Website which shall contain the Website Notice, in a form substantially similar to Exhibit C, copies of the Settlement Agreement and Exhibits, and the Mail Notice. The Settlement Website shall also contain Instructions and a Class Action Claim Form which may be downloaded or printed from the Internet site. The Settlement Website shall have a Uniform Resource Locator which identifies the Settlement Website as www.gfaaction.us.

6.3.1. The Settlement Website shall remain open and accessible for not less than thirty (30) Days after the last day to cash any check drawn on the Settlement Fund. Settlement Class Members shall also have the option of completing their Claim Form online within the Settlement Website, utilizing an e-signature format.

6.3.2. All costs associated with the Settlement Website will be paid from the Settlement Fund, and Defendants' only responsibility regarding such costs is to fund the Settlement Fund.

6.4. Toll-Free Settlement Hotline: The Settlement Administrator will establish and maintain an automated toll-free telephone line (which shall not have live operators) for persons in the Settlement Class to call with, and/or to leave questions or messages regarding, Settlement-related inquiries, to answer the questions of persons who call with or otherwise communicate such inquiries to Class Counsel (except that the Settlement Administrator shall not give, and shall not be expected to give, legal advice). All costs associated with this telephone line and arising from its operation will be paid from the Settlement Fund, and Defendants' only responsibility regarding such costs is to fund the Settlement Fund.

7. CLAIM FILING, REVIEW, AND APPROVAL PROCESS

7.1. Claim Filing Process: Settlement Class Members shall be permitted to make a Claim for Settlement Relief in one of two ways:

- (a) By mailing (either through posting with the United States Postal Service or through a private mail carrier, such as UPS or Federal Express, provided that proof of the mail date is reflected on the label of the mailing) a written Claim Form providing the required information, to the Settlement Administrator, on a date no later than the Claim Deadline. A written Claim Form will also be available on the Settlement Website for Settlement Class Members to download or print out and mail to the Settlement Administrator pursuant to this Section; or
- (b) By completing an online Claim Form within the Settlement Website utilizing an e-signature format.

7.2. Any Settlement Class Member who does not properly submit a completed Claim Form on or before the Claim Deadline shall be deemed to have waived any claim to Settlement Relief and any such Claim Settlement Form will be rejected, but the claims of any such Settlement Class Member will still be released under this Agreement.

7.3. Claim Review Process: As soon as practicable, the Settlement Administrator shall confirm that each Claim Form submitted is in the form required, that each Claim Form was submitted in a timely fashion, and that the person submitting the Claim is a member of the Settlement Class.

7.4. Notification: Within ten (10) Days after the Claims Deadline, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a list of all Settlement Class Members who filed a Claim, whether the Claim was rejected or accepted, and if rejected, the reason it was rejected. The Parties will use their best efforts to amicably resolve any dispute about the processing of any Claim.

7.5. The Settlement Administrator shall have sixty (60) Days after the Final Settlement Date within which to process the Claims and remit the appropriate Settlement Relief amounts by check to Claimants from the Settlement Fund.

7.6. Information Available to Class Counsel and Defendants' Counsel: Class Counsel and Defendants' Counsel shall have the right to communicate directly with the Settlement Administrator regarding the administration of this Settlement, provided that each notifies the other contemporaneously of all such interactions.

8. COVENANTS

The Settling Parties covenant and agree as follows:

8.1. Covenant Not to Sue: Plaintiffs and the Settlement Class Members covenant and agree: (i) not to file, commence, prosecute, intervene in, or participate in (as class members or otherwise) any action in any jurisdiction based on any of the Released Claims against any of the Released Persons; and (b) that the foregoing covenant and this Agreement shall be a complete defense to any of the Released Claims against any of the Released Persons.

8.2. Cooperation: The Settling Parties agree to cooperate reasonably and in good faith with the goal of obtaining entry of the Final Approval Order and the Judgment as quickly as is reasonably practicable and expeditiously reaching agreement on the matters requiring mutual agreement as set forth in this Settlement Agreement, including, but not limited to, the expeditious agreement to the terms of all class notice documents and settlement administration protocols, and the preparation and execution of all other reasonable documents necessary to achieve Final Approval of the Settlement by the Court.

9. REPRESENTATIONS AND WARRANTIES

9.1. Plaintiffs' Representations and Warranties:

9.1.1. Plaintiffs represent and warrant that they are the sole and exclusive owners of all of their own Released Claims and that they have not assigned or otherwise transferred any interest in any of their Released Claims against any of the Released Persons, and further covenant that they will not assign or otherwise transfer any interest in any of their Released Claims.

9.1.2. Plaintiffs represent and warrant that they have no surviving claim or cause of action against any of the Released Persons with respect to any of the Released Claims.

9.2. The Settling Parties' Representations and Warranties:

9.2.1. The Settling Parties, and each of them on his, her, or its own behalf only, represent and warrant that they are voluntarily entering into the Settlement Agreement as a result of arm's-length negotiations among their counsel, and that in executing the Settlement Agreement, they are relying solely upon their own judgment, belief, and knowledge, and upon the advice and recommendations of their own independently selected counsel, concerning the nature, extent and duration of their rights and claims hereunder and regarding all matters which relate in any way to the subject matter hereof; and that, except as provided herein, they have not been influenced to any extent whatsoever and have not relied upon in executing the Settlement Agreement, any representations, statements, or omissions pertaining to any of the foregoing matters, whether by any Party, any non-Party, or any other person, including any person representing any Party to the Settlement Agreement. Each of the Settling Parties assumes the risk of mistake as to facts or law.

9.2.2. The Parties also mutually stipulate that all donations designated for use in the field were ultimately sent to the field.

10. RELEASES

10.1. Released Claims of Settlement Class: Upon Final Approval, each member of the Settlement Class shall, by operation of the Judgment, be deemed to have fully, conclusively, irrevocably, forever, and finally released, relinquished, and discharged the Released Persons from any and all claims, causes of action, suits, obligations, debts, demands, agreements, promises, liabilities, damages, losses, controversies, costs, expenses and attorneys' fees of any nature whatsoever, whether based on any federal law, state law, common law, territorial law, foreign law, contract, rule, regulation, any regulatory promulgation (including, but not limited to, any opinion

or declaratory ruling), common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, punitive or compensatory, as of the date of Final Approval, that relate to or arise out of any statements, representations or activities relating to solicitation of donations or other support, use of donations, transportation or transfer of funds, dealings with any GFA entity (such as GFA-Canada) or any of the field partners, use of locally raised funds in the field to satisfy donor preferences or designations, or any claims related in any way to the funds donated to GFA-USA by Settlement Class Members during the Settlement Class Period, including but not limited to claims that relate to or arise out of Defendants' use of any donated funds and any claims that were or could have been asserted in the Murphy Litigation or Dickson Litigation related to Defendants' use of any donated funds. For the avoidance of doubt, this release includes any claims or potential claims against any person or entity identified as a possible alter ego of GFA-USA in the Murphy Litigation [ECF 38].

10.2. Without in any way limiting their scope, the Released Claims cover by example and without limitation, any and all claims for attorneys' fees, costs, expenses, expert fees, or consultant fees, interest, or litigation fees, or any other fees, costs, and/or disbursements incurred by Class Counsel, Plaintiffs, or any Settlement Class Members in connection with or related in any manner to this Settlement, the administration of this Settlement, and/or the Released Claims, except to the extent otherwise specified in the Settlement Agreement.

10.3. In connection with the Releases in Section 10.1, and without expanding their scope in any way, Plaintiffs and each Settlement Class Member shall be deemed, as of the date of Final Approval, to have waived any and all provisions, rights, benefits conferred by Section 1542 of the California Civil Code, and any statute, rule and legal doctrine similar, comparable, or equivalent to California Civil Code Section 1542, which provides that:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

To the extent that anyone might argue that these principles of law are applicable -- notwithstanding that the Settling Parties have chosen Texas law to govern this Settlement Agreement -- Plaintiffs hereby agree, and each Settlement Class Member will be deemed to agree, that the provisions of all such principles of law or similar federal or state laws, rights, rules, or legal principles, to the extent they are found to be applicable herein, are hereby knowingly and voluntarily waived, relinquished, and released. The Plaintiffs recognize, and each Settlement Class Member will be deemed to recognize, that even if they may later discover facts in addition to or different from those which they now know or believe to be true, they fully, finally, and forever settle and release any and all claims covered by these Releases upon entry of the Judgment. The Settling Parties acknowledge that the foregoing Releases were bargained for and are a material element of the Agreement.

10.4. This Agreement and the Releases herein do not affect the rights of Settlement Class Members who timely and properly submit a Request for Exclusion from the Settlement in accordance with the requirements in Section 11 of this Settlement Agreement.

10.5. The administration and consummation of the Settlement as embodied in this Settlement Agreement shall be under the authority of the Court. The Court shall retain jurisdiction to protect, preserve, and implement the Settlement Agreement, including, but not limited to, enforcement of the Releases contained in the Agreement. The Court shall retain jurisdiction in order to enter such further orders as may be necessary or appropriate in administering and implementing the terms and provisions of the Settlement Agreement.

10.6. Upon entry of the Final Approval Order and the Judgment: (i) the Settlement Agreement shall be the exclusive remedy for any and all Settlement Class Members, except those

who have properly requested exclusion (opted out) in accordance with the terms and provisions hereof; (ii) the Released Persons shall not be subject to liability or expense for any of the Released Claims to any Settlement Class Member(s) except as set forth in this Agreement; and (iii) Settlement Class Members who have not opted out shall be permanently barred from filing, commencing, prosecuting, intervening in, or participating in (as class members or otherwise) any action in any jurisdiction based on any of the Released Claims.

10.7. Nothing in this Settlement Agreement shall preclude any action to enforce the terms of the Settlement Agreement, including participation in any of the processes detailed therein. The Releases set forth herein are not intended to include the release of any rights or duties of the Settling Parties arising out of the Settlement Agreement, including the express warranties and covenants contained herein.

11. OPT-OUT RIGHTS

11.1. A potential Settlement Class Member who wishes to opt out of the Settlement Class must complete and send to the Settlement Administrator a Request for Exclusion that is postmarked no later than the Opt Out Deadline. The Request for Exclusion must: (a) identify the name and address of the potential Settlement Class Member requesting exclusion; (b) be personally signed by the potential Settlement Class Member requesting exclusion; and (c) contain a statement that reasonably indicates a desire to be excluded from the Settlement. Mass or class opt-outs shall not be allowed.

11.2. Any potential member of the Settlement Class who properly opts out of the Settlement Class shall: (a) not be bound by any orders or judgments relating to the Settlement; (b) not be entitled to relief under, or be affected by, the Agreement; (c) not gain any rights by virtue of the Agreement; and (d) not be entitled to object to any aspect of the Settlement.

11.3. The Settlement Administrator shall provide Class Counsel and Defense Counsel with a list of all timely Requests for Exclusion within seven (7) Days after the Opt Out Deadline. Defendants' Counsel shall be entitled to contact any potential member of the Settlement Class who files a timely Request for Exclusion to determine the reasons for the Request for Exclusion.

11.4. If more than 15,000 potential members of the Settlement Class timely opt out of the Settlement, then the Settlement may be deemed null and void upon notice by Defendants without penalty or sanction.

11.5. Except for those potential members of the Settlement Class who timely and properly file a Request for Exclusion in accordance with Section 11, all other potential members of the Settlement Class will be deemed to be Settlement Class Members for all purposes under the Agreement, and upon Final Approval, will be bound by its terms, regardless of whether they receive any monetary relief or any other relief.

12. OBJECTIONS

12.1. Overview: Any potential Settlement Class Member who does not opt out of the Settlement will be a Settlement Class Member and may object to the Settlement. To object, the Settlement Class Member must comply with the procedures and deadlines in this Agreement and all requirements of Fed.R.Civ.P. 23.

12.2. Process: Any Settlement Class Member who wishes to object to the Settlement must do so in writing on or before the Objection Deadline, as specified in the Class Notice and Preliminary Approval Order. The written objection must be filed with the Clerk of Court, and mailed (with the requisite postmark) to Class Counsel and Defense Counsel (at the addresses identified in Section 19), no later than the Objection Deadline.

12.2.1. The requirements to assert a valid written objection shall be set forth in the Class Notice and on the Settlement Website, and, to be valid, the written objection must include:

(a) the name, address, and telephone number of the Settlement Class Member objecting; (b) if represented by counsel, the name, address, and telephone number of the Settlement Class Member's counsel; (c) the basis for the objection; and (d) a statement of whether the Settlement Class Member objecting intends to appear at the Final Approval Hearing, either with or without counsel.

12.2.2. Any Settlement Class Member who fails to object to the Settlement in the manner described in the Class Notice and consistent with this Section shall be deemed to have waived any such objection, shall not be permitted to object to any terms or approval of the Settlement at the Final Approval Hearing, and shall be foreclosed from seeking any review of the Settlement or the terms of the Agreement by appeal or other means.

12.3. Appearance: Subject to approval of the Court, any Settlement Class Member who files and serves a written objection in accordance with Section 12.2 and the Class Notice may appear, in person or by counsel, at the Final Approval Hearing held by the Court, to show cause why the proposed Settlement should not be approved as fair, adequate, and reasonable, but only if the objecting Settlement Class Member: (a) files with the Clerk of the Court a notice of intention to appear at the Final Approval Hearing by the Objection Deadline ("Notice Of Intention To Appear"); and (b) serves the Notice of Intention to Appear on all counsel designated in the Class Notice by the Objection Deadline.

12.3.1. The Notice of Intention to Appear must include the Settlement Class Member's full name, address, and telephone number, as well as copies of any papers, exhibits, or other evidence that the objecting Settlement Class Member will present to the Court in connection with the Final Approval Hearing.

12.3.2. Any Settlement Class Member who does not file a Notice of Intention to Appear in accordance with the deadlines and other specifications set forth in the Agreement and Class Notice shall not be entitled to appear at the Final Approval Hearing or raise any objections.

13. SETTLEMENT APPROVAL

13.1. Plaintiffs shall, no later than February 28, 2019, or as otherwise set by the Court, apply to the Court for entry of the proposed Preliminary Approval Order and setting of a Final Approval Hearing.

13.2. Not later than seven (7) Days before the Final Approval Motion Deadline, the Settlement Administrator will provide Class Counsel with a declaration that the Class Notice has been disseminated in accordance with the Preliminary Approval Order and identifying the number of Requests for Exclusion to the Settlement, along with the number of claims received to date.

14. CERTIFICATION OF NATIONWIDE SETTLEMENT CLASS FOR SETTLEMENT PURPOSES

14.1. Plaintiffs shall move for Final Approval of the Settlement and entry of the Final Approval Order and Judgment, and shall request that the preliminary certification of the nationwide Settlement Class for settlement purposes be made final.

14.2. If the Settlement is not granted Final Approval, or this Agreement is otherwise terminated or rendered null and void, the certification of the above-described nationwide Settlement Class shall be automatically vacated and shall not constitute evidence or a binding determination that the requirements for certification of a class for trial purposes in this or any other action can be or have been satisfied; in such circumstances, Defendants reserve and shall have all rights to challenge certification of any settlement class or any other class for trial purposes in the Murphy Litigation, or in any other action, on all available grounds as if no nationwide Settlement Class had been certified.

14.3. Defendants' agreement to Plaintiffs seeking certification of the Settlement Class does not waive any right to compel binding arbitration against former employees who are not ultimately in the Settlement Class by virtue of timely Requests for Exclusion.

15. ATTORNEYS' FEES AND EXPENSES

15.1. Class Counsel may apply to the Court for an award of Attorneys' Fees and Expenses from the Settlement Fund, with any request for Attorneys' Fees not to exceed one-third of the Settlement Fund and any request for Expenses not to exceed \$750,000. Defendants and Defendants' Counsel agree not to object to either request.

15.2. The procedure for and the grant or denial or allowance or disallowance by the Court of the Attorneys' Fees and Expenses are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceedings relating to the applications for Attorneys' Fees and Expenses, or any appeal from any order relating thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement, or affect or delay the finality of the Final Approval Order or Judgment approving the Agreement and the Settlement, except as provided for in Section 15.1.

15.3. The Attorneys' Fees and Expenses, as awarded by the Court, shall be paid to Plaintiffs' Lead Counsel from the Settlement Fund. Plaintiffs' Lead Counsel may thereafter allocate the Attorneys' Fees and Expenses among other Class Counsel in a manner in which they in good faith believe reflects the contributions of such counsel to the initiation, prosecution, and resolution of the Litigation.

15.3.1. In their application for an award of Attorney's Fees and Expenses, Class Counsel may petition the Court for payment of the Attorney's Fees and Expenses immediately after the Court executes an order awarding such Attorneys' Fees and Expenses (i.e. at the Final Approval Hearing).

15.3.2. In the event the Court grants the petition provided for in Section 15.3.1, and if, as a result of any appeal and/or further proceedings on remand, or successful collateral attack, the award of Attorneys' Fees and Expenses is overturned or lowered, or if the Settlement is terminated or is not approved by the Court, or if there is an appeal and any order approving the Settlement does not become final and binding upon the Class, then, within five (5) business days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction, each Class Counsel receiving any portion of the award of Attorneys' Fees and Expenses shall refund to the Settlement Fund such portion previously paid to them from the Settlement Fund plus interest thereon at the same rate as earned on the Settlement Fund in an amount consistent with such reversal or modification. Each such Class Counsel's law firm receiving Attorneys' Fees and Expenses, as a condition of receiving same, on behalf of itself and each partner and/or shareholder of it, agrees that the law firm and its partners and/or shareholders are subject to the jurisdiction of the Court for the purpose of enforcing the provisions of this paragraph.

16. NON-DISPARAGEMENT AND PUBLIC COMMENTS

16.1. Plaintiffs as well as their experts agree not to directly or indirectly disclose, communicate, or publish any disparaging, negative, harmful, or disapproving information, whether conveyed by written communication, oral communication, electronic or magnetic communication, writing, oral or written statement, comment, opinion, remark or otherwise, concerning or related to the Plaintiffs' allegations in the Murphy Litigation or Dickson Litigation or any other matter made the subject of this Settlement Agreement or the Release herein.

16.2. Any public statements made by Class Counsel or Defense Counsel related to the Murphy Litigation, the Dickson Litigation, or this Agreement must be agreed to in advance by the other Party prior to publication, except that Class Counsel may list the case name and number and settlement amount on their websites, list(s) of completed cases, etc.

17. TERMINATION AND EFFECT THEREOF

17.1. This Agreement shall be terminable by any Party if any of the conditions of Section 3 are not fully satisfied, and terminable by Defendants at their election if the conditions of Section 11.4 occur, unless the relevant conditions are waived in writing signed by authorized representatives of each of the Plaintiffs and Defendants.

17.2. This Agreement shall also terminate at the discretion of any named Plaintiff or Defendants if: (1) the Court, or any appellate court(s), rejects, modifies, or denies approval of any portion of this Agreement or the proposed Settlement that is material, including without limitation, the terms or relief, the findings or conclusions of the Court, the provisions relating to Class Notice, the definition of the Settlement Class, and/or the terms of the Releases; (2) the Court, or any appellate court(s), does not enter or completely affirm, or alters, or restricts, or expands, any portion of the Final Approval Order or Judgment, or any of the Court's findings of fact or conclusions of law, that is material; or (3) if all of the conditions required to be met before the Final Settlement Date do not occur.

17.3. If this Agreement is terminated as provided herein, either automatically or by a Party, the Settlement shall be null and void from its inception and the Settling Parties will be restored to their respective positions in the Murphy Litigation as of the day prior to the date of the Preliminary Approval Order. In such event, the terms and provisions of this Agreement will have no further force and effect with respect to the Settling Parties and will not be used in the Murphy Litigation, or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of this Agreement will be treated as vacated, nunc pro tunc.

18. MISCELLANEOUS PROVISIONS

18.1. The Settling Parties acknowledge that it is their intent to consummate this Agreement, and they agree to cooperate to the extent reasonably necessary to effectuate and

implement all terms and conditions of this Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of this Agreement.

18.2. The Settling Parties intend the Settlement to be a final and complete resolution of all disputes between them with respect to the Murphy Litigation. The Settlement compromises claims that are contested and will not be deemed an admission by any Settling Party as to the merits of any claim or defense. The Settling Parties agree that the consideration provided to the Settlement Class and the other terms of the Settlement were negotiated in good faith and at arm's length by the Settling Parties, and reflect a Settlement that was reached voluntarily after consultation with competent legal counsel.

18.3. Neither this Agreement nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the Settlement is or may be deemed to be or may be used as an admission or evidence of the validity of any Released Claims, or of any wrongdoing or liability of Defendants, or of Released Parties; or is or may be deemed to be or may be used as an admission of, or evidence of, any fault, omission, wrongdoing, or liability of Defendants in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. Defendants may file this Agreement (including the Exhibits thereto), the Final Approval Order, and/or the Judgment in any action that may be brought against any of them in order to support any defense or counterclaim, including, without limitation, those based on principles of res judicata, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any other theory of claim preclusion, issue preclusion, or similar defense or counterclaim.

18.4. All agreements made and orders entered during the course of the Murphy Litigation relating to the confidentiality of information will survive this Agreement.

18.5. All of the Exhibits to this Agreement are material and integral parts hereof and are fully incorporated herein by this reference.

18.6. This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Plaintiffs and Defendants or their respective successors-in-interest. Any material changes must be approved by the Court.

18.7. This Agreement and the Exhibits attached hereto constitute the entire agreement among the Settling Parties, and no representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants covered and memorialized herein. Except as otherwise provided herein, the Settling Parties will bear their own respective costs.

18.8. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument. A complete set of counterparts will be submitted to the Court.

18.9. This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties.

18.10. The Court, acting through the Honorable Erin Wiedemann, will retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all Settling Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement.

18.11. None of the Settling Parties, or their respective counsel, will be deemed the drafter of this Agreement or its Exhibits for purposes of construing the provisions thereof. The language in all parts of this Agreement and its Exhibits will be interpreted according to its fair meaning, and will not be interpreted for or against any Settling Party as the drafter thereof.

18.12. The Settlement shall be governed by the laws of the State of Texas, except to the extent that the law of the United States governs any matters set forth herein, in which case such federal law shall govern.

18.13. The following principles of interpretation apply to the Agreement: (a) the plural of any defined term includes the singular, and the singular of any defined term includes the plural, as the case may be; (b) references to a person are also to the person's successors-in-interest; and (c) whenever the words "include," "includes," or "including" are used in the Agreement, they shall not be limiting, but rather shall be deemed to be followed by the words "without limitation."

18.14. The Settlement Agreement shall not be subject to collateral attack by any Settlement Class Member or any recipient of the notices of the Settlement Class after the Final Approval Order and Judgment are entered.

19. NOTICES

19.1. All notices (other than the Class Notice) required by the Agreement shall be made in writing and communicated by email and mail to the following addresses:

19.2. All notices to Class Counsel shall be sent to Class Counsel, c/o:

Marc R. Stanley
Stanley Law Group
6116 N. Central Expressway, Suite 1500
Dallas, Texas 75206
marcstanley@mac.com

Counsel for Plaintiffs and Class

19.3. All notices to Defense Counsel shall be sent to Defense Counsel, c/o:

Harriet E. Miers
Robert T. Mowrey
Paul F. Schuster
Matthew H. Davis
Locke Lord LLP
2200 Ross Ave., Suite 2800
Dallas, Texas 75201
hmiers@lockelord.com
rmowrey@lockelord.com
pschuster@lockelord.com
mdavis@lockelord.com

Counsel for Defendants

19.4. The notice recipients and addresses designated above may be changed by written agreement of Plaintiffs and Defendants.

19.5. Upon request, the Parties agree to promptly provide each other with copies of objections, Requests for Exclusion, or other similar documents received from Settlement Class Members in response to the Class Notice.

IN WITNESS WHEREOF, the Settling Parties have executed and caused this Settlement on the dates set forth below.


On Behalf of Defendant Gospel for Asia, Inc.:

Dated: Feb 25, 2019

By:

Name:

Title:



K.P. Yohannan
President

Individual Defendants:

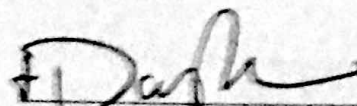
Dated: 2-21-2019


K.P. Johansson

Dated: 2-21-2019


Gisela Punmose

Dated: 2/21/19


Daniel Punmose

Dated: _____

David Carroll

Dated: 21-Feb, 2019


Pat Emerick

Individual Defendants:

Dated: _____ K.P. Yohannan

Dated: _____ Gisela Punnose

Dated: _____ Daniel Punnose

Dated: 2/21/2019  _____
David Carroll

Dated: _____ Pat Emerick

On Behalf of Plaintiffs and the Settlement Class:

Dated: February 19, 2019

By: Garland D. Murphy III
Garland D. Murphy, III, MD

Dated: February 19, 2019

By: Phyllis Murphy
Phyllis Murphy

Approved as to form and content:

For Plaintiffs:

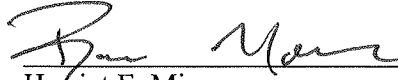


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For Defendants:

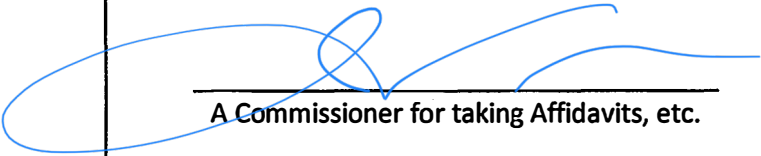


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Exhibit J

This is **Exhibit "J"** referred to
in the Affidavit of PAT EMERICK
sworn before me herein this 25th day of
JUNE, 2020.



A Commissioner for taking Affidavits, etc.

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF ARKANSAS
FAYETTEVILLE DIVISION**

GARLAND D. MURPHY, III, M.D. and
PHYLLIS MURPHY,
individually and on behalf of
all others similarly situated,

Plaintiffs,

V.

GOSPEL FOR ASIA, INC.,
GOSPEL FOR ASIA-INTERNATIONAL,
K.P. YOHANNAN, GISELA
PUNNOSE, DANIEL PUNNOSE,
DAVID CARROLL, and
PAT EMERICK,

Defendants.

CASE NO. 5:17-CV-05035-ELW

**AGREED MOTION FOR MODIFICATION OF PARAGRAPH 4.2.4
OF SETTLEMENT AGREEMENT**

Defendants, Gospel for Asia, Inc. (“GFA-USA”), Gospel for Asia-International¹, K.P. Yohannan, Gisela Punnose, Daniel Punnose, David Carroll, and Pat Emerick (“Defendants”) and Garland D. Murphy, III, M.D. and Phyllis Murphy, individually and on behalf of all others similarly situated (hereinafter collectively referred to as “the parties”) file this Motion seeking approval of GFA-USA’s ability to use funds given to GFA-USA preferred for specific uses in the field to pay to the Settlement Administrator \$11,000,000 on or before June 25, 2020, and in support of such Agreed Motion would respectfully show as follows:

¹ Gospel for Asia-International does not exist.

I.

FACTUAL BACKGROUND AND REQUESTED RELIEF

The settlement of this class action was consummated pursuant to a Settlement Agreement in February 2019 and Final Order and Judgment dated June 26, 2019. Settlement Agreement and Release, ECF No. 207. The Final Order and Judgment approved the Settlement Agreement executed by Plaintiffs Garland D. Murphy, III, M.D., and Phyllis Murphy, individually and as class representatives, and all of the Defendants. *Murphy v. Gospel for Asia, Inc.*, No. 5:17-CV-5035 ELW (W.D. Ark. June 26, 2019). The Settlement Agreement provides for both monetary consideration and non-monetary consideration to the named Plaintiffs and the Class certified by the Court. *See generally* Settlement Agreement and Release, ECF No. 207.

With respect to the monetary relief provided for in the Settlement Agreement, the majority of the funds have already been provided and paid out to class members in the initial payment under the Settlement Agreement. Paragraph 4.2.1 of the Settlement Agreement provides for a non-reversionary common Settlement Fund of \$37,000,000. Paragraph 4.2.2 specifies how the \$37,000,000 would be paid, with \$26,000,000 paid to the Settlement Administrator within 30 days after the entry of the Preliminary Approval Order of the Settlement Agreement by the Court and \$11,000,000 to be raised and paid to the Settlement Administrator within 12 months of the date of the entry of the Court's Final Approval Order.

GFA-USA paid the \$26,000,000 as required by the Settlement Agreement. At the time of payment this amount constituted nearly all of the funds held by GFA-USA, the bulk of which constituted funds designated for use in the field. The parties agreed that the designations associated with these funds could be met by local funds supplied by GFA-USA's field partners.

II.

THE PARTIES AGREED REQUEST FOR RELIEF

GFA-USA has attempted to raise the \$11,000,000 set out as remaining to be paid pursuant to Paragraph 4.2.2 of the Settlement Agreement. The parties hereby acknowledge there has been significant unforeseen impact of the onslaught and continued impact of Covid-19 on all charities, including GFA-USA. GFA-USA can meet its obligation to pay the additional \$11,000,000 by the deadline provided in Paragraph 4.2.2 using funds raised through solicitations for donations for general ministry purposes, other possible sources, and funds raised donated with donor preferences for use in the field. With respect to any funds paid which were funds raised with donor preferences, the parties agree that Paragraph 4.2.4 should be modified to allow use of funds preferenced for the field to pay a portion of the \$11,000,000 to the extent necessary. The parties agree further that the GFA-USA's field partners will provide written confirmation that preferences associated with the funds used to pay the \$11,000,000 have been or will be met using funds available to the field partners in similar fashion as was done with respect to the payment of the \$26,000,000. Finally, the parties agree, in light of current circumstances that no harm is done to the intent and purpose of the Settlement Agreement or the interests of the class members by this requested relief.

The parties submit a proposed order granting this motion.

WHEREFORE, the parties pray that the Court grant this motion and approve the modification described above.

Respectfully submitted,

Steven Shults

Steven Shults

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So Agreed:

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OF COUNSEL FOR PLAINTIFFS AND THE CLASS

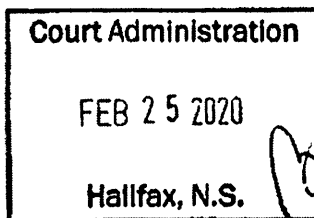
Exhibit K

This is **Exhibit "K"** referred to in the
Affidavit of PAT EMERICK sworn
before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

2020



Hfx. No 496980

NOVA SCOTIA SUPREME COURT

BETWEEN:

GREG ZENTNER

Plaintiff

-and-



GOSPEL FOR ASIA, INC., GFA WORLD,
KADAPPILIARIL PUNNOSE YOHANNAN,
DANIEL PUNNOSE,
DAVID CARROLL and PAT EMERICK

Defendants

**NOTICE OF ACTION
(PROPOSED CLASS ACTION)**

**To: GOSPEL FOR ASIA, INC., GFA WORLD, KADAPPILIARIL
PUNNOSE YOHANNAN, DANIEL PUNNOSE, DAVID CARROLL
and PAT EMERICK**

Action has been started against you
The Plaintiff takes action against you.

The Plaintiff started the action by filing this notice with the court on the date certified by the Prothonotary.

The Plaintiff claims the relief described in the attached statement of claim. The claim is based on the grounds stated in the statement of claim.

Deadline for defending the action

To defend the action, you or your counsel must file a notice of defence with the court no more than the following number of days after the day this notice of action is delivered to you:

- 15 days if delivery is made in Nova Scotia
- 30 days if delivery is made elsewhere in Canada

- 45 days if delivery is made anywhere else.

Judgment against you if you do not defend

The court may grant an order for the relief claimed without further notice, unless you file the notice of defence before the deadline.

You may demand notice of steps in the action

If you do not have a defence to the claim or you do not choose to defend it you may, if you wish to have further notice, file a demand for notice.

If you file a demand for notice, the Plaintiffs must notify you before obtaining an order for the relief claimed and, unless the court orders otherwise, you will be entitled to notice of each other step in the action.

Rule 57 - Action for Damages Under \$100,000

Civil Procedure Rule 57 limits pre-trial and trial procedures in a defended action so it will be more economical. The Rule applies if the Plaintiffs state the action is within the Rule. Otherwise, the Rule does not apply, except as a possible basis for costs against the Plaintiff.

This action is not within Rule 57.

Filing and delivering documents

Any documents you file with the court must be filed at the office of the Prothonotary at 1815 Upper Water Street, Halifax, NS B3J 1S7 (Telephone: 902-424-4900).

When you file a document you must immediately deliver a copy of it to each other party entitled to notice, unless the document is part of an *ex parte* motion, the parties agree delivery is not required, or a judge orders it is not required.

Contact information

The Plaintiff designates the following address:

*McKiggan Hebert
502-1959 Upper Water Street, Tower One
Halifax, Nova Scotia B3J 3N2*

Documents delivered to this address are considered received by the Plaintiff on delivery.


Further contact information is available from the Prothonotary.

Proposed place of trial

The Plaintiff proposes that, if you defend this action, the trial will be held in Halifax, Nova Scotia.

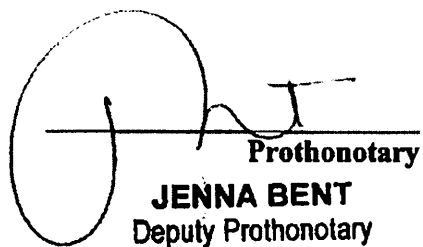
Signature

Signed this 25 day of February, 2020



John A. McKiggan, QC
McKiggan Hebert
502 - 1959 Upper Water Street
Purdy's Wharf Tower 1
Halifax, Nova Scotia B3J 3N2
Phone: 423-2050 Fax: 417-1280
Counsel for Greg Zentner**Prothonotary's certificate**

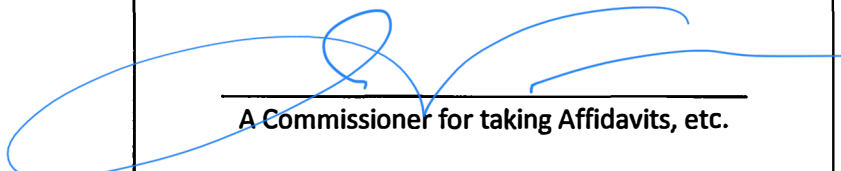
I certify that this Notice of Action, including the attached Statement of Claim, was filed with the court on February 25, 2020.



Prothonotary
JENNA BENT
Deputy Prothonotary

Exhibit L

This is **Exhibit "L"** referred to
in the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

2020

Hfx. No 4 9 6 9 8 0

NOVA SCOTIA SUPREME COURT**Between:****GREG ZENTNER****Plaintiff****-and-****GOSPEL FOR ASIA, INC., GFA WORLD,
KADAPPILIARIL PUNNOSE YOHANNAN,
DANIEL PUNNOSE,
DAVID CARROLL and PAT EMERICK****Defendants****STATEMENT OF CLAIM****CLAIM****1. The plaintiff claims:**

- (a) an order certifying this action as a class proceeding and appointing the plaintiff as representative plaintiff for the class;
- (b) a declaration that the defendants breached their duty of care and fiduciary duty to the plaintiff and the class;
- (c) a declaration that the defendants defrauded or made negligent misstatements to the plaintiff and the class members;
- (d) a declaration that the defendants civilly conspired to misrepresent the nature of the donations collected from the class and the use to which they would be put;
- (e) a declaration that the defendants are liable to the plaintiff and the class for the damages caused by their breach of their duty of care and fiduciary duty, fraud, misrepresentations or civil conspiracy;

- (f) return of \$20,000,000.00 in funds misdirected to GFA USA;
- (g) damages for the defendant's unlawful actions for the misuse of donor funds in excess of \$100,000,000.00 , or such other sum as this Honourable Court may find appropriate;
- (h) punitive damages of \$50,000,000.00, or such other sum as this Honourable Court may find appropriate;
- (i) prejudgment and post judgment interest;
- (j) costs of the action;
- (k) the costs of notice and of administering the plan of distribution of the recovery in this action, plus applicable taxes; and
- (l) such further and other relief as to this Honourable Court may seem just and appropriate in all the circumstances.

OVERVIEW

2. Thousands of well-intentioned Canadians were duped into collectively donating tens of millions of dollars to an international fundraising syndicate operating in Canada known by a variety of names including as Gospel for Asia, Gospel for Asia Canada, GFA, and, later, as GFA World. The donors were convinced by the representations of the Defendants that 100% of donations designated for use in the field would be used in the field, and that their donations would be used for specific charitable purposes to help the poorest of the poor in India. Instead, the funds were converted by the Defendants for their own use, including for the construction of a luxurious compound and personal residence in Texas, USA. In this action, the Canadian donors seek to recover these donations that were collected through fraud or misrepresentation.

REPRESENTATIVE PLAINTIFF AND CLASS

3. The Plaintiff, Greg Zentner is an individual who resides in Woodburn, Nova Scotia Canada. From 2006 to 2014 he and his wife made regular donations totaling thousands of dollars to the Defendant GFA World ("GFA Canada").

4. Greg Zentner made the donations after learning of GFA's guarantee that that 100% of the donations would be used in the field and that donations would be used as directed. The Plaintiff relied upon the Defendants representations that the donated funds would be used by the Defendants to fund specific individuals or projects in India as identified and directed by the Plaintiff, specifically in the Plaintiff's case, donations for Native Missionaries.

5. Each donation made by the Plaintiff was made on the understanding, based on the representations made by the Defendants, that 100% of the donation would be used in the field and applied as directed. Had the Plaintiff known the funds would be misdirected as detailed below, he would not have donated to GFA.

6. The Plaintiff seeks to certify this proceeding as a class proceeding under the *Class Proceedings Act*, S.N.S. 2007, c. 28, and brings this proceeding on his own behalf and on behalf of the following proposed class:

All persons in Canada who made donations to GFA Canada using donation codes 1000 to 4900 from January 1, 2006 to date that were not specifically directed for use of the "Home Team" or "Home Office" (the "Class").

7. The Plaintiff does not have any interest adverse to any other member of the Class.

8. The Plaintiff states that the Class is an identifiable class that would be fairly and adequately represented by him, that the claims of the members of the Class raise common issues, and that a class proceeding would be the preferable procedure for the resolution of such common issues.

THE DEFENDANTS

9. The Defendant, Gospel for Asia, Inc. ("GFA USA"), is a corporation incorporated under the laws of Texas, USA with headquarters in Wills Point, Texas. At all material times GFA USA was a registered charity and a member of the Gospel for Asia syndicate.

10. The Defendant, GFA World ("GFA Canada"), is a corporation continued under the *Canada Not-for-profit Corporation Act*, S.C. 2009, c. 23, and at all material times held itself out as a charity within the meaning of the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.). GFA World is a member of the Gospel for Asia syndicate. Prior to changing its name to "GFA World" on March 24, 2017, the corporation was known as GFA Canada or operated simply as "Gospel for Asia" from the date of its incorporation.

11. The Defendant, Kadappiliaril Punnose Yohannan ("Yohannan"), is an individual who resides in Wills Point, Texas. Yohannan is the founder of an international fundraising syndicate ("the GFA syndicate") consisting of several related corporations operating in many countries, including Canada, the USA, Germany, the UK, and India under a variety of names including "Gospel for Asia" or "GFA" or "Believers Church".

12. At all material times Yohannan was a corporate director and president and operating mind of GFA Canada, the Canadian corporate arm of the GFA syndicate, as well as director and president and operating mind of Gospel for Asia's other corporate members including but not limited to GFA USA. At all material times Yohannan was also the Metropolitan (equivalent to the Pope) of all arms of the GFA syndicate. He served as the public face of Gospel for Asia, including within Canada, and solicitations for donations on behalf of Gospel for Asia were sent under his personal signature. He had signing authority for GFA Canada, GFA India, and GFA USA's bank accounts. He was the leader of the fraudulent conspiracy detailed herein.

13. As Metropolitan Yohannan has extraordinary powers over the GFA syndicate including acting as the President and Managing Trustee of all societies of the GFA syndicate.

14. The Defendant, Daniel Punnose, is an individual who resides in Wills Point, Texas. He is the son of Yohannan and Gisela Punnose, is a director of GFA Canada and Vice President of GFA USA. At all material times Daniel Punnose promoted Gospel for Asia and solicited donations by speaking at conferences and churches worldwide, including frequently within the United States and Canada. He was a knowing participant in the fraudulent conspiracy detailed herein.

15. The Defendant, David Carroll ("Carroll"), is an individual who resides in Wills Point, Texas. At all material times Carroll was the Chief Financial Officer of GFA USA and GFA Canada and was responsible for the operations of the headquarters of the Gospel for Asia syndicate in Wills Point, Texas. He and Yohannan had signing authority for GFA Canada, GFA India and GFA USA's bank accounts. He was a knowing participant in the fraudulent conspiracy detailed herein.

16. The Defendant, Pat Emerick ("Emerick"), is a United States citizen who, at all material times, resided in Ontario Canada and served as a director and CEO of GFA Canada. He was a knowing participant in the fraudulent conspiracy detailed herein.

ALLEGATIONS

17. Gospel for Asia is an evangelical Christian syndicate that operates internationally through a network of affiliated corporations and organizations including GFA USA, GFA Canada, GFA International, Gospel for Asia – India ("GFA India"), Believers Eastern Church, Last Hour Ministries, and Love India Ministries.

18. At all material times the operations of the GFA syndicate and its members were under the effective control of Yohannan. Yohannan directly controlled or exerted ultimate authority over each member of the syndicate, including by directly controlling or exerting ultimate authority over each member's finances and corporate governance.

19. At all material times GFA Canada solicited donations from Class members through various media, including website, mail, radio, TV, in-person solicitations, and other promotional materials. In doing so, GFA Canada represented to Class members that the funds it was soliciting from Canadian donors were needed on an urgent basis.

20. GFA Canada further represented that Class members could choose the specific individual, items, and/or projects their donations would be used for, including, *inter alia*, direct financial support for an individual child, direct financial support to an individual missionary, the purchase of a blanket to keep an impoverished family warm, the purchase of a tool kit for gardening and home maintenance, the purchase of a motorcycle to assist a rural missionary in travelling to and from remote communities, the purchase of a sewing machine, and the provision of medical care and education.

21. GFA promised, through mail solicitations and its website, to apply donations only to the specific projects and items donors select. During the class period, GFA would often send out direct mail campaign solicitations, often tied to specific projects or items, such as its “Sewing Machines Appeal” from April 2012 or the “Pure Water Appeal” from August 2014, as well as occasional “Harvest” Newsletters and the “GFA World” magazine or the “GFA Christmas Catalog,” an annual glossy magazine with photos of specific “gifts” that donors may provide to the needy to coincide with the holiday season. All of these campaigns and publications are used to solicit donations to GFA Canada and other members of the GFA syndicate.

22. In its marketing materials, GFA Canada emphasized its representation that 100% of all donations would be used for the purpose for which it was donated and not used to meet administrative expenses. The marketing materials depicted a seal with the figure “100%” written on it which was accompanied by one or more of the following statements or a statement of similar import: “One hundred percent of what you give for sponsorship goes to the field. Nothing is taken out for administrative expenses.”; “100% of your sponsorship is sent to the field to support your child”; and, “100% of all contributions designated for use on the mission field are sent to the mission field”.

23. GFA defined “the Field” for which GFA solicits charitable relief as a specific geographic region, the section of the Eastern Hemisphere between 10 and 40 degrees north of the Equator. Countries in this region face high levels of socioeconomic challenge and have low access to Christian theology. This region (“the Field”) contains over 50 countries, but specifically does not include the United States.

24. Every donation received by GFA Canada was “coded” to show the specific purpose for which the donation was being made. All donations coded between 1000 and 4900 were designated to be used in “the Field”.

25. GFA did offer the option for persons to donate to the “Home Team” to defray the cost of GFA’s administration and staff salaries. GFA-USA is termed the “Home Office,” and the 100% Guarantee explicitly states donations for “the Field” would not be applied for projects or needs within the United States, including GFA’s administrative or salary expenses for the “Home Team”. Donations coded between 1000 and 4900 were not designated for use by the “Home Team” or “Home office”. Relying on the foregoing representations, Class members selected the individual child, missionary, item, or project they wished to support and made a donation to GFA Canada either on the GFA Canada website, or via telephone, by mail, or in person and the donation was coded according to the designated use for which the money was intended.

26. Thousands of well-intentioned and charitable Class members donated money to GFA Canada in this manner, believing that their donations were needed urgently, would be used in “the Field” and would be used for the specific persons, items, or programs they chose and directed. These representations were so successful that from 2008 to 2017, GFA Canada reported to the Canada Revenue Agency (“CRA”) that it had raised more than \$120,000,000.00 Cdn in donations from Class members.

27. The fact is that the funds being solicited were not required on an urgent basis. Under the direction of Yohannan, the GFA syndicate had collected huge sums of money through earlier donations which had not been used in the Field, had not been used as directed, and had stockpiled massive amounts of cash which were simply placed in accounts controlled by Yohannan and the other Defendants.

28. The claims that more money was required to support the specific individuals, items, and projects were completely false. The fact is that the members of the GFA syndicate had collected hundreds of millions of dollars’ worth of donations that had not been used in the Field or as directed by donors.

29. The representations that GFA Canada needed the funds urgently was fraudulent, false, and intentionally misleading and was knowingly and fraudulently made for the purpose of inducing Class members into making further donations to GFA Canada.

30. During the class period, GFA Canada collected over a hundred million dollars from charitable Canadians. Despite the representations and guarantees made by the Defendants to class member donors, only a small fraction of the donated money was used in the Field to support the specific causes for which the funds were donated.

31. Instead of using the donations of Class members in the Field to support the individuals, projects, and purposes selected and directed by Class members or for any similar objects or purposes, GFA Canada diverted the funds to GFA USA, GFA International, and other members of the GFA syndicate through bank accounts controlled by the Defendants Yohannan and Carroll knowing the funds would be used for other purposes including:

- (a) to build a 350-acre palatial compound in Wills Point, Texas to serve as a residence for Yohannan, Daniel Punnose, Carroll, and Emerick;
- (b) to acquire for-profit enterprises including a rubber plantation, private schools, and private colleges; and
- (c) to generate investment income; and
- (d) for purposes other than as designated by class member donors.

32. The representations that 100% of the donated funds would be used in the Field and used for the purposes selected by the Class members were fraudulent, false, and intentionally misleading and were knowingly and fraudulently made for the purpose of inducing Class members into making donations to GFA Canada.

33. Each of the Defendants knew that the representations were false and misleading or were reckless as to the truth of the representations. They knew that the purpose of the representations was to induce Class members to make a donation to GFA Canada, and they knew that the donations

were not going to be used in the Field and were not needed for the objects and purposes represented and that the funds would not be used for those objects and purposes.

34. In September 2015 the Evangelical Council for Financial Accountability ("ECFA"), a private oversight body that reviews the finances of Christian organizations that solicit charitable donations, decertified GFA USA after investigating its finances and finding multiple examples of the misuse and misrepresentation of charitable donations collected by the Defendants.

35. The Defendants conspired to conceal, did conceal, and continue to conceal the true state of affairs from Class members by:

- (a) Transferring funds from GFA Canada to other members of the GFA syndicate and falsely reporting such transactions as legitimate charitable expenses on the T3010 registered charity information returns filed with Canada Revenue Agency;
- (b) By denying (and continuing to deny) any allegations of impropriety on the part of members of the syndicate when faced with media reports, questions by donors, and legal claims in other jurisdictions; and
- (c) By refusing (and continuing to refuse) to provide accurate financial information when requested by individual directors or donors.

MISUSE OF CANADIAN DONATIONS

36. In Canada, the CRA requires charities to submit an annual Registered Charity Information Return on T-3010 forms. Canadian law requires charities that operate in a foreign country to abide by that country's laws.

37. Indian law requires that all Non-Government Organizations (NGOs), such as GFA Canada and the other members of the GFA syndicate, file FC-6 forms titled, "The Account of Foreign Contribution" reporting all money received from foreign sources, including the country of origin.

38. Between 2007 and 2014 GFA Canada filed T-3010 forms with CRA indicating it had collected over \$100,000,000.00 in donations from class members. GFA Canada claimed to have spent just over \$90,000,000.00 outside of Canada in the Field.

39. However, between 2007 and March 31, 2014 the FC-6 forms filed by the members of the GFA syndicate in India reported zero (\$0) dollars having been received from Canada.

40. In 2010 GFA USA began constructing a state of the art \$45,000,000.00 compound in Wills Point, Texas to serve as a headquarters for the GFA syndicate and the personal residence of Yohannan and other defendants. In 2013 GFA USA claimed in its financial statements that a \$20,000,000.00 USD anonymous donation had been received for the development of the 350-acre plot of land where the compound was constructed.

41. In fact, the “anonymous donation” was actually funds collected by GFA Canada from numerous Canadian class members that had been directed to be used in the Field and for specific charitable purposes coded between 1000 and 4900, not the construction of a residence and headquarters in Texas. The various class members who donated the sums making up the \$20,000,000.00 USD relied upon GFA’s guarantee that 100% of the donations would be used in the Field to help the poor in India.

42. In 2013 Yohannan and Carroll and Emerick transferred funds totaling \$20,000,000.00 USD from Canadian donations from the GFA Canada bank account, to a bank account in the name of GFA India, in the same bank branch in Hamilton Ontario. Then Yohannan and Carroll and Emerick transferred the Canadian donated funds to GFA USA to use in constructing GFA’s lavish headquarters and personal residences in Wills Point, Texas.

43. This transfer was not reported to CRA as required on GFA Canada’s T-3010 form. Nor was it reported to the Indian government as required on GFA India’s FC-6 forms. Nor were the donors advised that the funds had not been used as directed by the donors. The Plaintiff states that the transfers were made in order to hide the actual source of the funds and to mislead class members and the Canadian and Indian tax authorities.

44. The Plaintiff states that the Wills Point GFA headquarters was built using funds designated for use in the Field and donor restricted funds from Canadian class members coded between 1000 and 4900 and GFA USA holds the \$20,000,000.00 USD in trust for the benefit of class members and is liable to the class members for the return of their misused and misdirected donations.

45. In 2015 and 2016, Emerick and two other employees of GFA Canada, Susan Whitman and Harvey Martens registered five Not-For-Profit (“NFP”) corporations with Corporations Canada (“CC”). Little Hills was incorporated on August 13, 2015; The Blind See on February 26, 2016; The Lame Walk on February 26, 2016; Lift Up Their Voices on February 29, 2016 and The Sick Healed also on February 29, 2016 (“the GFA NFPs”).

46. NFP corporations must file annual reports with CC. If an NFP corporation’s income is in excess of \$10,000 they must file financial statements. None of the five GFA NFPs filed annual reports or financial information as required by law.

47. Registered charities including GFA World are not permitted to send money to NFP corporations that are not registered charities in order to transfer money to other countries. The five GFA NFPs were not registered charities with CRA and were not eligible to receive funds from GFA Canada.

48. In 2016 GFA Canada improperly funneled in excess of \$10,000,000.00 of donations from Canadian class members through the GFA NFPs contrary to the directions made by class member donors and the specific representations made by the Defendants.

CLAIMS

Civil Fraud

49. The Plaintiff pleads the tort of deceit, also known as civil fraud, and states that the Defendants induced Class members to donate money by making false representations that such monies were needed urgently, that donations would be used for the individuals, items, and programs designated by the Class member making a donation, and that 100% of all donations made

by Class members would be used in the Field and for the individuals, items, or programs designated and not for administrative or other purposes. The Defendants knew that the representations were false or were reckless as to the truth of the representations. Class members acted on the false representations and donated money to GFA Canada, and, as a result, Class members suffered injury, loss, and damages.

Equitable fraud

50. In the alternative, the Plaintiff relies on the doctrine of equitable fraud and states that the Defendants and the Class members were in a special relationship as donee and donors. That the Defendants knew that the Class members were relying on the truth of the representations made by GFA when making donations, and that it was unconscionable for the Defendants to accept donations from Class members knowing that such donations were induced by false or misleading representations as set out above. As a result of the equitable fraud Class members have suffered injury, loss, and damages.

Negligent misstatement

51. In the further alternative, the Plaintiff pleads the tort of negligent misstatement and states that because of the relationship between the Defendants, as donee, and Class members, as donors, the Defendants owed Class members a duty to take care to ensure that any representations made to Class members about their charitable activities were accurate, true, and not materially misleading. The Plaintiff states that the representations made by the Defendants, as set out above, were false and materially misleading and that Class members relied and acted on the representations when making donations to GFA Canada and, as a result, suffered injury, loss, and damages, all of which were foreseeable by the Defendants.

Breach of fiduciary duty

52. In the further alternative, the Plaintiff states that the Defendants owed a fiduciary duty to the Class members to use donations for the purposes intended by the Class members and breached their fiduciary duty by failing to use the donations in the Field and for the purposes and in the manner intended by the Class members.

Unjust enrichment

53. In the further alternative, as described in detail in the factual allegations above, the Defendants intentionally made materially false representations to the Plaintiffs and the class members that resulted in their contributions of money for charitable purposes to their detriment. The Plaintiff states that the Defendants received benefits from the donations made by Class members and the Class members suffered a corresponding loss for which there is no juristic reason and the Defendants were unjustly enriched.

54. As a result, the Defendants are liable in restitution to the Plaintiffs and class members to disgorge and remit to Plaintiffs and the Class all monies contributed, in an amount to be proved at trial.

Civil conspiracy

55. The Plaintiff pleads unlawful means civil conspiracy and states that the Defendants acted in concert, by agreement, or with a common design or intention to defraud Class members and thereby deprive them of money by:

- (a) Engaging, or assisting GFA Canada in engaging, in the tort of deceit, in equitable fraud, in the tort of negligent misstatement, and in breach of a fiduciary duty, or
- (b) by making, or assisting GFA Canada in making, false or misleading representations to the public contrary to s. 52 and 74.01(1)(a) of the *Competition Act*, R.S.C., 1985, c. C-34, which unlawful conduct was directed towards the Class members and which conduct resulted in depriving the Class members of money which result the Defendants knew or should have known would flow from their unlawful conduct.

56. In the alternative, the Plaintiff pleads lawful civil conspiracy and states that the Defendants engaged in a course of conduct, the predominant purpose of which, was to harm Class members by depriving them of money and the Class members suffered a corresponding loss.

PUNITIVE DAMAGES


57. The high-handed, callous and misleading conduct of the Defendants warrant the condemnation of this Honourable Court. The Defendants conducted their affairs with wanton and callous disregard for the class members' wishes and preyed upon the class members' Christian charity in order to enrich themselves. The Defendants breached, and continue to breach, the duty of care, fiduciary duty and legal obligations owed to the Plaintiff and the class members.

58. The Defendants' actions were deliberate, calculated and done with the intent to deceive well-meaning charitable class members. The Defendants continue to deny that they have committed any wrongdoing. In these circumstances, punitive damages are necessary to act as a deterrent to prevent such conduct in the future.

59. The Plaintiff claims jointly and severally against the Defendants for the following:

- (i) special damages;
- (ii) general damages;
- (iii) equitable damages;
- (iv) disgorgement;
- (v) aggravated damages;
- (vi) punitive damages;
- (vii) costs on a solicitor-client basis; and
- (viii) such other relief as this Honourable Court deems just.

DATED at Halifax Regional Municipality, Nova Scotia this 25 day of February, 2020.




John A. McKiggan, Q.C.
McKiggan Hebert
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Halifax NS B3J3N2
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Counsel for the Plaintiff and
the Class

Exhibit M

This is Exhibit "M" referred to
in the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

Donations - Comparison Year-over-Year

Year	Feb	Mar (1)	April (1)	May (1)	Feb - May Total
2019	504,418.95	588,830.08	553,609.32	499,696.79	2,146,555.14
2020	464,474.70	429,278.37	608,200.80	487,897.46	1,989,851.33
\$ Change	(39,944.25)	(159,551.71)	54,591.48	(11,799.33)	(156,703.81)
% Change	-8%	-27%	10%	-2%	-7%

Note 1:

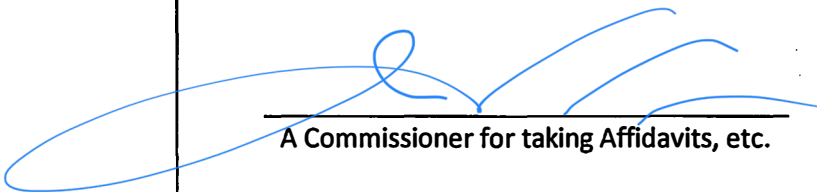
Between March 1, 2020 and May 31, 2020, GFA Canada raised approximately \$135,800 pursuant to a specific appeal for COVID relief and typhoon relief in Asia.

Without considering the donations raised for these specific relief appeals, the year-over-year level of donations declined by 14% from February to May, as demonstrated in the table below. The February - May 2020 total was adjusted to remove the \$135,800 of specific relief funds discussed above.

Year	February - May Total
2019	2,146,555.14
2020 - Revised	1,854,051.33
\$ Change	(292,503.81)
% Change	-14%

Exhibit N

This is **Exhibit "N"** referred to in
the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 GFA World (the "**Applicant**").

CONSENT

PRICEWATERHOUSECOOPERS INC. LIT hereby consents to act as court-appointed monitor of the Applicant in connection with its proceedings pursuant to the *Companies' Creditors Arrangement Act* and pursuant to the terms of an order substantially in the form filed.

DATED this 25th day of June, 2020

PRICEWATERHOUSECOOPERS INC. LIT




Per: _____

Name: Michael McTaggart
Title: Senior Vice President

Exhibit O

This is Exhibit "O" referred to
in the Affidavit of PAT EMERICK
sworn before me herein
this 25th day of JUNE, 2020.



A Commissioner for taking Affidavits, etc.

GFA World
 13-Week Cash Flow Statement
 For the period of week-ending July 3, 2020 to week-ending September 25, 2020
 In CAD\$ (all USD balances converted at CAD\$1.36/US\$1.0)

Week #		1	2	3	4	5	6	7	8	9	10	11	12	13	13 WEEK
Week Ending	Notes	Forecast 7/3/2020	Forecast 7/10/2020	Forecast 7/17/2020	Forecast 7/24/2020	Forecast 7/31/2020	Forecast 8/7/2020	Forecast 8/14/2020	Forecast 8/21/2020	Forecast 8/28/2020	Forecast 9/4/2020	Forecast 9/11/2020	Forecast 9/18/2020	Forecast 9/25/2020	Forecast Total
RECEIPTS	1														
Donations	2	70,246	107,149	107,149	107,149	107,149	85,085	85,085	85,085	85,085	85,812	85,812	85,812	85,812	1,182,430
Other receipts	3	67,623	-	-	-	-	-	-	-	-	-	-	-	25,000	92,623
Total receipts		137,869	107,149	107,149	107,149	107,149	85,085	85,085	85,085	85,085	85,812	85,812	85,812	110,812	1,275,053
DISBURSEMENTS															
Operating Disbursements															
Payroll and Employee Expenses	4	(3,750)	-	(27,800)	-	(27,800)	(3,750)	(27,800)	-	(27,800)	(3,750)	(27,800)	-	-	(150,250)
Program Expenses	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution Expenses	6	(3,250)	(8,050)	(3,250)	(9,700)	(3,250)	(8,050)	(3,250)	(9,700)	(3,250)	(8,050)	(3,790)	(9,180)	(3,770)	(76,540)
Utilities	7	-	-	(2,635)	-	-	-	-	-	(3,293)	-	-	(2,635)	-	(8,563)
Other	8	(7,054)	(7,570)	(500)	(1,803)	(17,873)	(8,516)	(5,735)	(1,275)	(958)	(7,389)	(7,020)	(1,050)	(968)	(67,710)
Credit Card	9	-	(14,325)	-	-	-	(14,325)	-	-	-	-	(14,325)	-	-	(42,975)
Litigation Costs	10	-	-	(38,156)	-	(24,844)	-	(28,031)	-	(20,813)	-	(13,875)	-	(20,813)	(146,531)
Restructuring Professional Fees	11	-	-	(135,875)	-	(117,075)	-	(109,950)	-	(56,800)	-	(51,800)	-	(73,450)	(544,950)
Total Operating Disbursements		(14,054)	(29,945)	(208,216)	(11,503)	(190,841)	(34,641)	(174,766)	(10,975)	(112,914)	(19,189)	(118,610)	(12,865)	(99,001)	(1,037,519)
Total Disbursements		(14,054)	(29,945)	(208,216)	(11,503)	(190,841)	(34,641)	(174,766)	(10,975)	(112,914)	(19,189)	(118,610)	(12,865)	(99,001)	(1,037,519)
Net cash flow		123,816	77,204	(101,067)	95,646	(83,692)	50,444	(89,682)	74,110	(27,829)	66,624	(32,798)	72,947	11,812	237,535
Opening cash	12	2,859,771	2,983,586	3,060,791	2,959,723	3,055,370	2,971,677	3,022,121	2,932,439	3,006,549	2,978,720	3,045,343	3,012,546	3,085,493	2,859,771
Net cash flow		123,816	77,204	(101,067)	95,646	(83,692)	50,444	(89,682)	74,110	(27,829)	66,624	(32,798)	72,947	11,812	237,535
Ending Cash		2,983,586	3,060,791	2,959,723	3,055,370	2,971,677	3,022,121	2,932,439	3,006,549	2,978,720	3,045,343	3,012,546	3,085,493	3,097,305	3,097,305

Dated this 25th day of June 2020. This statement of projected cash-flow of GFA World is prepared in accordance with Section 10(2)(a) of the Companies' Creditors Arrangement Act and should be read in conjunction with the Proposed Monitor's Conclusion on the Cash Flow Statement.



Pat Emerick
 Ministry Director and President
 GFA World

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 GFA WORLD (the "**Applicant**")

MANAGEMENT'S REPORT ON THE CASH FLOW STATEMENT

In connection with the proceedings commenced by the Applicant under the *Companies' Creditors Arrangement Act* ("**CCAA**"), the management of GFA World (the "**Management**") has prepared the attached cash-flow statement for the period from June 27 to September 25, 2020 (the "**Cash Flow Forecast**") and the assumptions on which the cash-flow statement is based.

The hypothetical assumptions are reasonable and consistent with the purpose of the projections described in Note 1 to the Cash Flow Forecast, and the probable assumptions are suitably supported and consistent with the plans of the Applicant and provide a reasonable basis for the Cash Flow Forecast. All such assumptions are disclosed in Notes 2 to 12.

Since the projections in the Cash Flow Forecast are based on assumptions regarding future events, actual results will vary from the information presented and variation may be material.

The Cash Flow Forecast has been prepared solely for the purpose outlined in Note 1, using a set of hypothetical and probable assumptions set out in Notes 2 to 12. Consequently, readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

DATED at 25 this day of July 2020.

Ontario

GFA WORLD



Pat Emerick, Ministry Director, President

3

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	FRIDAY , THE 26TH
)	
JUSTICE HAINEY)	DAY OF JUNE, 2020

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 GFA WORLD

Applicant

INITIAL ORDER

THIS APPLICATION, made by GFA World ("**GFA Canada**" or the "**Applicant**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Patrick Emerick sworn June 25, 2020 and the exhibits thereto (the "**Emerick Affidavit**") and the Pre-Filing Report filed by PricewaterhouseCoopers Inc. ("**PwC**") in its capacity as the proposed Monitor, and on being advised that there are no secured creditors who are likely to be affected by the charges created herein, and on hearing the submissions of counsel for the Applicant and PricewaterhouseCoopers Inc., the proposed Monitor, and on reading the consent of PwC to act as the Monitor,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a corporation to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicant shall continue to carry on its business in a manner consistent with the preservation of its business (the “**Business**”) and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, advisors, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.
4. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize the cash management system currently in place as described in the Emerick Affidavit or replace it with another substantially similar cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the

- 3 -

Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any plan of compromise or arrangement (a “**Plan**”) advanced in these proceedings with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. **THIS COURT ORDERS** that the Applicant shall not (a) use or disburse any donations received after the date of this Order; or (b) disburse any funds to its agent for use in the Field without further Order of the Court.
6. **THIS COURT ORDERS** that the Applicant is entitled but not required to pay the following expenses and satisfy the following obligations whether incurred prior to, on or after this Order:
 - (a) all outstanding and future wages, salaries, vacation pay and expenses, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
 - (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges; and
 - (c) any payment referred to in paragraph 6 of this Order the obligation for which was incurred during the period prior to the date of this Order in respect of the supply of goods or services to an Applicant if, in the opinion of the Applicant and with the consent of the Monitor, the making of such payment is critical to the Business or the ongoing operations of the Applicant.
7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, and subject to paragraph 6(c) above, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary

- 4 -

course prior to, on or after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services supplied or to be supplied to the Applicant, except for the payment of any obligations owing to any of GFA Canada's agent in the Field (as defined in the Emerick Affidavit) for amounts incurred prior to the granting of this order, which shall not be made without a further order of the Court.

8. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services taxes, harmonized sales taxes, or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any

- 5 -

nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. **THIS COURT ORDERS** that, except as specifically permitted herein, and until the return of the comeback hearing (as per paragraph 46 below), the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

10. **THIS COURT ORDERS** that until and including July 2, 2020, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of any of the Applicant, or the Monitor, or affecting the Business or the Property, except with the written consent of the applicable Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower the Applicant to carry on

any business which the Applicant are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

12. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll and benefits services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and the Applicant and the Monitor, or as may be ordered by this Court.

THIRD PARTY DEFENDANTS

14. **THIS COURT ORDERS** that, with respect to the defendants in action *Murphy v. Gospel for Asia, Inc.*, et al., having Court File No. 5:17-CV-05035-ELW (Nova Scotia) (the “**CDN Class Action**”) other than GFA Canada (the “**Third Party Defendants**”), until further order of this Court: (i) the CDN Class Action is hereby stayed with respect to the Third Party Defendants; and (ii) no legal proceedings shall be commenced or continued against any of the Third Party Defendants regarding any claim based on the solicitation, collection or use of donations or funds from individuals resident or located in Canada. For greater certainty, (a) nothing in this Order shall be construed as staying any proceedings commenced or continued outside of Canada involving any of the Third Party Defendants in respect of the solicitation, collection or use of donations or funds from individuals resident or located outside of Canada; and (b) nothing in this Order is intended to restrict in any way the actions of Gospel USA or its officers and directors, including the Third Party Defendants, in connection with the operations of Gospel USA or the individual Third Party Defendants’ actions or assets.

NON-DEROGATION OF RIGHTS

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance

- 8 -

or re-advance any monies or otherwise extend any credit to any Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. **THIS COURT ORDERS** that during the Stay Period and without limiting the relief provided for in paragraph 10, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against such directors or officers that arose before the date hereof and that relates to any obligations of any Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

17. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
18. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$75,000, as security for the indemnity provided in paragraph 17 of this Order. The Directors' Charge shall have the priority set out in paragraph 30 herein.
19. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under

any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 19 of this Order.

APPOINTMENT OF MONITOR

20. **THIS COURT ORDERS** that PricewaterhouseCoopers Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
21. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Applicant's receipts and disbursements;
 - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
 - (c) advise the Applicant in its preparation of the Applicant's cash flow statements;
 - (d) advise the Applicant in its development of the Plan and any amendments to the Plan;
 - (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

- 10 -

- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
 - (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
 - (h) perform such other duties as are required by this Order or by this Court from time to time.
22. **THIS COURT ORDERS** that the Monitor is authorized and directed to (i) exercise oversight and arrange for the protection and custody of the books, documents, corporate and accounting records, and other papers, records and information of any kind in the possession or control of GFA Canada that are the property of GFA Canada or that relate to the Business, management or affairs of GFA Canada or any of its direct or indirect subsidiaries, whether in physical or electronic form and wherever situated, including on any computer, server or information technology system (collectively, the “**Records**”), including, without limitation, all of the Records over which privilege may be asserted, and (ii) ensure that the current and former directors and officers of GFA Canada and its direct and indirect subsidiaries to which such Records relate have continued access to the Records.
23. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.
24. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally

contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

25. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.
26. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
27. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their

standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a weekly basis and, in addition, the Applicant are hereby authorized to have paid to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the total amount of \$337,00 to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

28. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and the Applicant' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$150,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priorities set out in paragraphs 30 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

30. **THIS COURT ORDERS** that the priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**"), as among them, shall be as follows :
- First – Administration Charge (to the maximum amount of \$150,000);
 - Second – Directors' Charge (to the maximum amount of \$75,000); and
31. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to

the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

32. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person.
33. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtain the prior written consent of the Monitor and any Persons entitled to the benefit of the Charges (the “**Chargees**”) affected thereby or further Order of this Court.
34. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:
 - (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which the Applicant is a party;
 - (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and

- 14 -

(c) the payments made by the Applicant pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

35. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

36. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in The Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

37. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.pwc.com/ca/gfaworld>.

38. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

39. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.
40. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.
41. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada and in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.
42. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered

- 16 -

to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

43. **THIS COURT ORDERS** that the Applicant shall bring a motion for an extension of the stay of proceeding and for the Post-Filing Donations Order to be heard by this Court on Thursday, July 2, 2020, at 2:00pm or such other date as determined by this Court.
 44. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order without any need for entry and filing.
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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 GFA
WORLD

Court File No.: _____

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

INITIAL ORDER

GOODMANS LLP
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Lawyers for the Applicant

7069481

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Revised: January 21, 2014

253

Court File No. _____

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE _____)	WEEKDAY <u>FRIDAY</u> , THE #
JUSTICE _____)	DAY OF MONTH, 20 <u>YR 26TH</u>
)	
<u>JUSTICE HAINEY</u>)	<u>DAY OF JUNE, 2020</u>

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 ~~[APPLICANT'S NAME]~~ (the "GFA WORLD")

Applicant")

INITIAL ORDER

THIS APPLICATION, made by GFA World ("GFA Canada" or the "Applicant,") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~Patrick Emerick sworn ~~[DATE]~~June 25, 2020 and the ~~Exhibits~~exhibits thereto (the "Emerick Affidavit") and the Pre-Filing Report filed by PricewaterhouseCoopers Inc. ("PwC") in its capacity as the proposed Monitor, and on being advised that ~~the~~there are no secured creditors who are likely to be affected by the charges created herein ~~were given notice~~, and on hearing the submissions of counsel for ~~[NAMES]~~, ~~no one~~ appearing for ~~[NAME]~~¹ ~~although duly served as appears from the affidavit of service of [NAME]~~

~~sworn~~ ~~[DATE]~~ the Applicant and PricewaterhouseCoopers Inc., the proposed Monitor, and on reading the consent of ~~[MONITOR'S NAME]~~ PwC to act as the Monitor,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated² so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a ~~company~~ corporation to which the CCAA applies.

~~PLAN OF ARRANGEMENT~~

~~3. — THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").~~

POSSESSION OF PROPERTY AND OPERATIONS

- ~~3.~~ **4. THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, the Applicant shall continue to carry on its business in a manner consistent with the preservation of its business (the "Business") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, advisors, agents, experts, accountants, counsel and such other persons (collectively "Assistants") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

- ~~4.~~ ~~5.~~ **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilize the ~~central~~ cash management system³ currently in place as described in the Emerick Affidavit

~~of [NAME] sworn [DATE]~~ or replace it with another substantially similar ~~central~~ cash management system (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under ~~the Plan~~ any plan of compromise or arrangement (a "Plan") advanced in these proceedings with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.}]

5. ~~6.~~ **THIS COURT ORDERS** that the Applicant shall ~~be not~~ (a) use or disburse any donations received after the date of this Order; or (b) disburse any funds to its agent for use in the Field without further Order of the Court.

6. **THIS COURT ORDERS that** entitled but not required to pay the following expenses and satisfy the following obligations whether incurred prior to, on or after this Order:

- (a) all outstanding and future wages, salaries, ~~employee and pension benefits~~, vacation pay and expenses ~~payable on or after the date of this Order~~, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; ~~and~~
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges; and
- (c) any payment referred to in paragraph 6 of this Order the obligation for which was incurred during the period prior to the date of this Order in respect of the supply of goods or services to an Applicant if, in the opinion of the Applicant and with the consent of the Monitor, the making of such payment is critical to the Business or the ongoing operations of the Applicant.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, and subject to paragraph 6(c) above, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course prior to, on or after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
 - (b) payment for goods or services ~~actually~~ supplied or to be supplied to the Applicant ~~following, except for the date of this Order~~ payment of any obligations owing to any of GFA Canada's agent in the Field (as defined in the Emerick Affidavit) for amounts incurred by then prior to the granting of this order, without a further order of the Court.
8. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
 - (b) all goods and services taxes, harmonized sales taxes, or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not ~~required to be~~ remitted until on or after the date of this Order; and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

~~9. — THIS COURT ORDERS that until a real property lease is disclaimed **[or resiliated]**⁴ in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.~~

9. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, and until the return of the comeback hearing (as per paragraph 46 below), the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

~~11. — THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:~~

- ~~(a) — permanently or temporarily cease, downsize or shut down any of its business or operations, **[and to dispose of redundant or non-material assets not exceeding \$● in any one transaction or \$● in the aggregate]**⁵~~

(b) ~~—[terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate]; and~~

(c) ~~—pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,~~

~~all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "Restructuring").~~

12. ~~—THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims [or resiliates] the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer [or resiliation] of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.~~

13. ~~—THIS COURT ORDERS that if a notice of disclaimer [or resiliation] is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer [or resiliation], the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer [or resiliation], the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.~~

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

10. ~~14.~~ **THIS COURT ORDERS** that until and including ~~[DATE — MAX. 30 DAYS]~~ July 2, 2020, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of any of the Applicant, or the Monitor, or affecting the Business or the Property, except with the written consent of the applicable Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the Applicant or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower the Applicant to carry on any business which the Applicant ~~is~~ are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

12. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

13. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll and benefits services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and ~~each of~~ the Applicant and the Monitor, or as may be ordered by this Court.

THIRD PARTY DEFENDANTS

14. **THIS COURT ORDERS** that, with respect to the defendants in action *Murphy v. Gospel for Asia, Inc.*, et al., having Court File No. 5:17-CV-05035-ELW (Nova Scotia) (the “**CDN Class Action**”) other than GFA Canada (the “**Third Party Defendants**”), until further order of this Court: (i) the CDN Class Action is hereby stayed with respect to the Third Party Defendants; and (ii) no legal proceedings shall be commenced or continued against any of the Third Party Defendants regarding any claim based on the solicitation, collection or use of donations or funds from individuals resident or located in Canada. For greater certainty, (a) nothing in this Order shall be construed as staying any proceedings commenced or continued outside of Canada against any of the Third Party Defendants in respect of the solicitation, collection or use of donations or funds from individuals resident or located outside of Canada; and (b) nothing in this Order is intended to restrict in any way the actions of Gospel USA or its officers and directors, including the Third Party Defendants, in connection with the operations of Gospel USA or the individual Third Party Defendants’ actions or assets.

NON-DEROGATION OF RIGHTS

15. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to ~~the~~any Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.⁶

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period and without limiting the relief provided for in paragraph 10, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against ~~the~~such directors or officers that arose before the date hereof and that relates to any obligations of ~~the~~any Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, ~~until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.~~

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

17. ~~20.~~ **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings,⁷ except to the extent that, with respect to any ~~officer or~~ director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
18. ~~21.~~ **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge")⁸ on the Property, which charge shall not exceed an aggregate amount of \$~~75,000~~75,000, as security for the indemnity provided in paragraph ~~120~~17 of this Order. The Directors' Charge shall have the priority set out in ~~paragraphs 38 and 40~~paragraph 30 herein.
19. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~120~~19 of this Order.

APPOINTMENT OF MONITOR

20. ~~23.~~ **THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~ PricewaterhouseCoopers Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its ~~shareholders~~, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

21. ~~24.~~ **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- ~~(c) —assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;~~
- (c) ~~(d)~~ advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender;
- (d) ~~(e)~~ advise the Applicant in its development of the Plan and any amendments to the Plan;

- (e) ~~(f)~~ assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) ~~(g)~~ have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (g) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

22. THIS COURT ORDERS that the Monitor is authorized and directed to (i) exercise oversight and arrange for the protection and custody of the books, documents, corporate and accounting records, and other papers, records and information of any kind in the possession or control of GFA Canada that are the property of GFA Canada or that relate to the Business, management or affairs of GFA Canada or any of its direct or indirect subsidiaries, whether in physical or electronic form and wherever situated, including on any computer, server or information technology system (collectively, the "Records"), including, without limitation, all of the Records over which privilege may be asserted, and (ii) ensure that the current and former directors and officers of GFA Canada and its direct and indirect subsidiaries to which such Records relate have continued access to the Records.

23. ~~25.~~ THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

24. ~~26.~~ THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or

collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

25. ~~27.~~ **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicant ~~and the DIP Lender~~ with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

26. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

27. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The

Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a ~~[TIME INTERVAL]~~ weekly basis and, in addition, the Applicant ~~is~~ are hereby authorized to ~~pay~~ have paid to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the total amount ~~[s]~~ of \$ ~~●~~ [-, respectively,] 337,000 to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

28. ~~30.~~ **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

29. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, ~~if any,~~ and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$ ~~●~~ 150,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the ~~priority~~ priorities set out in paragraphs ~~[38] and [40]~~ 30 hereof.

~~DIP FINANCING~~

~~32. — THIS COURT ORDERS that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from [DIP LENDER'S NAME] (the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$● unless permitted by further Order of this Court.~~

~~33. — THIS COURT ORDERS THAT such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed.~~

~~34. — THIS COURT ORDERS that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security~~

~~documents, guarantees and other definitive documents (collectively, the "Definitive Documents"); as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.~~

35. ~~THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs [38] and [40] hereof.~~

36. ~~THIS COURT ORDERS that, notwithstanding any other provision of this Order:~~

- ~~(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;~~
- ~~(b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ● days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and~~
- ~~(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.~~

~~37. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the Bankruptcy and Insolvency Act of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.~~

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

30. ~~38. THIS COURT ORDERS~~ that the priorities of the ~~Directors' Charge, the~~ Administration Charge, the Directors' Charge, and the ~~DIP Lender's~~ Intercompany Charge (collectively, the "Charges"), as among them, shall be as follows⁹ :

~~First Administration Charge (to the maximum amount of \$●);~~

~~Second DIP Lender's Charge; and~~

~~Third Directors' Charge (to the maximum amount of \$●).~~

<u>First</u>	=	<u>Administration Charge (to the maximum amount of \$150,000);</u>
<u>Second</u>	=	<u>Directors' Charge (to the maximum amount of \$75,000); and</u>

31. ~~39. THIS COURT ORDERS~~ that the filing, registration or perfection of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "Charges")~~ shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

32. ~~40. THIS COURT ORDERS~~ that each of the ~~Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein)~~ Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.

33. ~~41. THIS COURT ORDERS~~ that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any

Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge~~Charges, unless the Applicant also ~~obtains~~obtain the prior written consent of the Monitor, ~~the DIP Lender~~ and ~~the beneficiaries of the Directors' Charge and the Administration Charge~~, any Persons entitled to the benefit of the Charges (the "Chargees") affected thereby or further Order of this Court.

34. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge~~Charges shall not be rendered invalid or unenforceable and the rights and remedies of the ~~chargees entitled to the benefit of the Charges (collectively, the "Chargees")~~ and/or the ~~DIP Lender thereunder~~ shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:
- (a) ~~neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents~~ shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which ~~it~~the Applicant is a party;
 - (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the ~~Applicant entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents~~; and
 - (c) the payments made by the Applicant pursuant to this Order, ~~the Commitment Letter or the Definitive Documents~~, and the granting of the Charges, do not and will not

constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

35. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

36. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~[newspapers specified by the Court]~~ The Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$~~1000~~1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

37. ~~45.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List website at ~~<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>~~ <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/> shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~“@”~~: <http://www.pwc.com/ca/gfaworld>.

38. ~~46.~~ **THIS COURT ORDERS** that ~~if the service or distribution of documents in accordance with the Protocol is not practicable,~~ the Applicant and the Monitor and their

respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by ~~prepaid ordinary mail, courier, personal delivery or facsimile transmission~~ electronic message to the Applicant's creditors or other interested parties at and their ~~respective addresses as last shown on the records of the Applicant and that~~ advisors. For greater certainty, any such ~~service or~~ distribution by ~~courier, personal delivery or facsimile transmission~~ or service shall be deemed to be ~~received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing~~ in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

39. ~~47.~~ **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of ~~its~~ their powers and duties hereunder.
40. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.
41. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada ~~or~~ and in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.
42. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or

administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

43. ~~51.~~ **THIS COURT ORDERS** that ~~any interested party (including~~ the Applicant shall bring a motion for an extension of the stay of proceeding and for the ~~Monitor)~~ ~~may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely~~ Post-Filing Donations Order to be ~~affected~~ heard by ~~the order sought~~ this Court on Friday, July 3, 2020, at 10:00am or ~~upon~~ such other ~~notice, if any, date~~ as determined by this Court ~~may order~~.

44. ~~52.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. ~~Eastern Standard/Daylight Time~~ Toronto time on the date of this Order.

Court File No.:

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 GEA
WORLD

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

INITIAL ORDER

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Description	GOODMANS-#7069481-v6-Draft_Initial_Order
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Legend:	
<u>Insertion</u>	
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Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	227
Deletions	256
Moved from	3

Moved to	3
Style change	0
Format changed	0
Total changes	489

¹ ~~Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

² ~~If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

³ ~~This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross border and inter company transfers of cash.~~

⁴ ~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

⁵ ~~Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

⁶ ~~This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

⁷ ~~The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

⁸ ~~Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

⁹ ~~The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, Court File No:
c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF GFA
WORLD**

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

APPLICATION RECORD
(CCAA Application returnable June 26, 2020)

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