

CONDOMINIUM MANAGEMENT AGREEMENT

THIS AGREEMENT made this 20th day of June 2019.

BETWEEN:

**CONDOMINIUM CORPORATION NO.
9810287, a corporation, constituted
under the *Condominium Property Act*
(Alberta) (hereinafter called "the
Corporation")**

OF THE FIRST PART

-and-

**MCM PROPERTY MANAGEMENT LTD., a body
corporate, having an office in the City
of Calgary, in the Province of Alberta**

(hereinafter called "the Manager")

OF THE SECOND PART

WHEREAS the Corporation, pursuant to the *Condominium Property Act* (Alberta) as may be amended from time to time (the "Act"), is responsible for the enforcement of its by-laws, and for the control, management and administration of its property, and the common property comprised in Condominium Plan No. 9810287 more commonly known as Chaparral Point located at municipal address 2 - 137 Chaparral Point S. E., Calgary, Alberta (referred to hereafter as the "Lands", and the Lands and the Condominium and any other real and personal property or assets of the Corporation associated therewith hereinafter collectively referred to as "the Properties");

AND WHEREAS the Corporation, under its by-laws is authorized to employ such agents as its Board of Directors thinks fit in connection with the control, management, and administration of the Properties, and in the exercise and performance of the powers and duties of the Corporation;

AND WHEREAS the Manager has agreed to render management services to the Corporation for the remuneration and subject to the terms and conditions set forth below;

NOW THEREFORE, in consideration of the mutual promises and obligations contained in this Agreement, the parties agree as follows:

1. The Corporation hereby employs the Manager exclusively to manage the Property for a period of one (1) year two weeks from the 1st day of September, 2019 and thereafter for yearly periods from time to time, unless on or before sixty (60) days prior to the expiration of the initial term or any renewal term either party hereto shall notify the other in writing that it elects to terminate this agreement at the end of said period subject to earlier termination as is hereinafter provided.

2. The Corporation hereby grants to the Manager such authority and power as the Manager may reasonably require in the performance of its obligations under this agreement, subject to the overall direction and control of the Corporation. The Manager agrees to manage the Properties to the extent prescribed herein and for the period and upon the terms and conditions prescribed herein and as follows:
- (a) The Manager shall collect and receive on behalf of the Corporation all monthly contributions and assessments, levies (including any special levies, contingency and reserve funds included therein or relating thereto), and any other charges and assessments due to the Corporation from the owners of units on the Lands for operation and maintenance of the Properties. While the Manager shall make a good faith effort to collect such amounts the Manager shall not be responsible for collection of delinquent assessments or other charges except that the Manager shall send a notice or notices to defaulting Owners of the arrears or delinquency. If additional steps are required to collect such sums then the Manager may charge to the Condominium Corporation and through to the delinquent unit owner additional amounts incurred in collecting the arrears. The Corporation agrees that all service charges received for dealing with NSF returned cheques will accrue to the benefit of the Manager. In addition to charging interest on unpaid arrears as authorized in the by-laws, the Manager, as agent of the Corporation, may recover from the defaulting Owners the costs incurred in preparing, registering and discharging any Caveat filed by the Manager on behalf of the Corporation pursuant to the Act and may similarly recover from the defaulting Owners any other reasonable costs incurred by the Manager or the Corporation in protecting and securing the position and interests of the Corporation. The Corporation hereby authorizes the manager, as its agent, to charge such interest and costs and represents that the by-laws grant the Corporation the power to collect such interest and costs.
 - (b) The Manager shall maintain records showing all its receipts and expenditures relating to the Properties and shall promptly submit to the Corporation, or its nominee, a cash receipts and disbursements statement for the preceding month and a statement indicating the balance or deficit in the Manager's account for the Properties on or before the fifteenth (15th) day of the following month. However, in this regard if there is a deficit the Manager shall not be obligated to loan funds to the Corporation. Moreover, the Manager shall have no obligation to loan funds to the Corporation for any purpose whatsoever. At the request of the Corporation or should circumstances so dictate, the Manager may, at its sole option and discretion which may be exercised reasonably, loan and advance funds to the Corporation. The Corporation shall pay interest on such loans at the rate of six (6%) percent over the Toronto Dominion Bank commercial prime rate in Calgary. The Manager shall have a charge against the Land and Properties for any such funds so expended.
 - (c) The Manager shall prepare and submit to the Corporation, or its nominee, on or before the first day of the month preceding the opening month of the Corporation's next fiscal year, a recommended budget for the administrative expenses sufficient for the control, management and administration of the Properties for the next fiscal year showing anticipated receipts and expenditures for such year (the "Budget"). The Manager shall assist the Corporation in

determining the appropriate amount of the required contributions and other assessments to be paid by each owner of a unit in the Properties as is required by the Act and the By-laws of the Corporation and to recommend such revisions thereof as may from time to time be appropriate. The Manager shall assist the Corporation in passing a resolution in respect of such budget and contributions.

- (d) Within thirty (30) days after the end of each fiscal year, the Manager shall submit to the Corporation a summary of all receipts and expenditures relating to the Properties for the preceding year, provided that the Manager shall not be obligated to supply an audited statement. If the Manager is required by the Real Estate Counsel of Alberta, or any such successor organization, to conduct an audit of the Corporation's financial statement(s) then the Manager's cost of arranging, participating in, and reviewing this audit and the costs of conducting the audit by an accountant, such accountant to be chosen by the Corporation, shall be the responsibility of the Corporation. The costs of the Manager in so arranging, participating in, and reviewing the audit shall be in addition to the monthly consideration paid by the Corporation for the Manager's services.
- (e) Subject to the provisions of and any restrictions contained in the By-laws, the Manager, at the direction and at the expense of the Corporation, shall cause the common property of the Corporation to be maintained according to appropriate standards of maintenance consistent with the character, age, size and location of the Lands and the Properties, including:
 - (i) supervising (without the obligation of being on site at the time such work is done) the cleaning, painting and such other regular maintenance and repair work including renewal where reasonably necessary of the maintenance equipment and that part of the building on the Lands constituting common property, or which the Corporation is obliged to maintain, and without restricting the generality of the foregoing, the common property shall include any recreational facilities and amenities and all of the parking areas; and
 - (ii) maintenance of the lawns, flower beds, shrubs and trees (i.e. mowing, cutting, trimming, pruning, cultivating, fertilizing, watering and aerating as may be reasonably required); and
 - (iii) spring and fall cleanups; and
 - (iv) clearing of snow, slush and debris from and maintaining the common driveways, common parking areas and common walkways so as to keep the said areas neat and clean in appearance; and
 - (v) such other regular maintenance and repair work as may be necessary or as directed by the Corporation.
- (f) On the basis of the Budget, and job standards and wage rates previously approved by the Corporation, the Manager shall negotiate agreements with, hire, supervise and discharge: engineers, janitors, caretakers and other contractors or personnel required to maintain and operate the Properties properly. All such contractors shall be hired by the Corporation and such personnel shall be

employees of the Corporation and not of the Manager. All salaries, taxes and other expenses payable on account of such personnel shall be common expenses of the Corporation. Subject to any restrictions set forth herein, the Manager may engage any person, firm or corporation to perform any work or services which the Manager agrees to supply to the Corporation hereunder. The Manager must disclose to the Corporation any majority shareholder position it holds in any company offering services to the Corporation. Minority shareholder positions must be disclosed to the Corporation should the Corporation not have a choice in selecting such company.

- (g) The Manager shall use its best efforts to ensure that no claim or lien shall be filed in respect of any work which may be carried out on behalf of the Corporation against title to the said lands or any units or the common property and if a claim or lien shall be filed in respect of such work it shall on the direction of the Corporation take all requested steps to have the same removed and discharged.
- (h) The Manager shall execute and file all returns and other instruments and do and perform all acts required of the Corporation as an employer in respect of Employment Insurance contributions and deductions, Canada Pension Plan contributions and payments and the Canada *Income Tax Act* and any other contributions or payments required under any social, labor or tax legislation in force from time to time (and in connection therewith the Corporation agrees, upon request, to execute and deliver promptly to The Manager all necessary Powers of Attorney, notice of appointment and like approvals or directions).
- (i) Subject to the direction of the Corporation, the Manager shall negotiate and execute on behalf of the Corporation contracts for water, electricity, gas, telephone and such other services for that portion of the Properties constituting common property as may be necessary or desirable. The Manager shall also purchase on behalf of the Corporation such equipment, tools, appliances, materials and supplies as are necessary for the proper operation and maintenance of the Properties. All such purchases and contracts shall be in the name and at the expense of the Corporation. The Manager shall not collect or charge any undisclosed fee, rebate or discount and if any should be received by the Manager the same will be credited to the account of the Corporation and the Manager shall credit the Corporation with any discounts, commissions or rebates obtainable as a result of purchases made on behalf of the Corporation or in pursuance of this Agreement.
- (j) The Manager shall pay from the funds it receives from the Corporation all taxes payable by the Corporation, all applicable building and insurance premiums on policies of the Corporation, water rates and other municipality or governmental charges, and all other charges or obligations incurred by the Corporation with respect to the maintenance or operation of the Properties or incurred by the Manager on behalf of the Corporation pursuant to the terms of this Agreement or pursuant to other authority granted by the Corporation.
- (k) The Managers shall obtain insurance appraisals as and when requested by the Corporation, recommend suitable coverage, and submit claims on behalf of the Corporation against its insurance policies as and when requested by the Corporation. The Corporation will indemnify and hold harmless the Manager

from any loss, costs or damages arising out of any claim, suit or charge by any person whomsoever relating to inadequate insurance coverage. It is understood and agreed that the placement of any insurance on behalf of the Corporation by the Manager shall only be upon written instructions from the Corporation to the Manager and the Manager will be held harmless in the event of any claim, suit or charge by any person whatsoever with regard to inadequate insurance coverage. The Manager shall cooperate with the Corporation in investigating and reporting all accidents or claims for damage relating to the ownership, operation and maintenance of the Properties including any damage or destruction thereto. The Corporation agrees to pay for the costs of the Manager in so cooperating. In this regard, the Corporation, without limitation, agrees to pay to the Manager any costs of the Manager in retaining and reviewing security tapes. These costs are in addition to the monthly consideration paid to the Manager by the Corporation.

- (l) The Manager shall use reasonable efforts to co-ordinate the schedules of purchasers and other occupants of the condominium units for moving their personal effects into or out of the subject unit and shall endeavor to schedule such movements so that there will be a minimum of inconveniences to other owners.
- (m) The Manager shall keep the Corporation and all owners of units advised of the telephone number or numbers at which an agent or representative of the Manager may be reached at any time during normal business hours in respect of any breach or violation of the By-laws or of any rules and regulations for the time being in force of the Corporation. The Manager shall also keep the Corporation advised of the telephone number at which his representative can be reached at other than normal business hours in the event of an emergency. The Manager shall forthwith report to the Corporation any major emergency or any persistent, flagrant or serious violation of the By-laws or serious violation of any rules and regulations in force and shall also report any other emergency or violation which might reasonably be expected to be brought to the attention of the Corporation which shall be determined in the Manager's discretion. It is understood and agreed by the parties hereto that the Manager shall in its discretion determine whether or not an emergency exists and whether the Manager is required to deal promptly with the situation that arises in connection with the maintenance and operation of the common property.
- (n) The Manager shall, based on the information and documents made available to it, use reasonable efforts to keep an up-to-date record of the names and addresses of all Unit Owners and any lessee thereof which it has knowledge. If the Corporation receives notices or notifications from registered mortgagees or other persons claiming an interest in a unit, the Corporation shall forthwith communicate that information to the Manager.
- (o) The Manager, on behalf of the Corporation, shall on the application of a Unit Owner or any person authorized in writing by him provide estoppel certificates as anticipated by Section 44 of the *Condominium Property Act, RSA 2000*. Similarly, upon the written request of an owner, purchaser or mortgagee of a Unit, the Manager, on behalf of the Corporation, shall within ten (10) days of receiving that request provide to the person making the request all or any of the statements, particulars or copies referred to in sections 44 and 46 of the *Condominium*

Property Act, RSA 2000. The Manager shall, as authorized in the Condominium Property Act, RSA 2000 and the By-laws, be entitled to collect from and charge the requesting party, for its own account, a reasonable fee to compensate it for the expenses it incurs in producing and providing the materials referred to herein on behalf of the Corporation.

- (p) The Corporation shall advise the Manager of any leases or other dispositions of the common property or any part thereof made by it and the Manager shall maintain records of such dispositions.
- (q) The Manager agrees to register at the Land Titles Office any change in the address for service of the Corporation or any change in the Board of Directors of the Corporation in the forms required by the Act and the regulations passed pursuant thereto and to comply with any reasonable request for the names and addresses of the persons who are members of the Board of Directors.
- (r) The Manager shall assist, advise and cooperate with the Corporation in providing any documents requested by governmental authorities having jurisdiction in that regard.
- (s) Upon the request of the Corporation, the Corporation and the Manager shall consult with each other with a view to revising the By-laws and any rules and regulations to further the harmonious and satisfactory operation of the Properties for the common benefit of all Unit Owners. The Corporation agrees that the cost of the Manager in participating in such review and revision shall be in addition to the monthly consideration paid by the Corporation to the Manager. At the request and cost of the Corporation, the Manager agrees to forward to the Unit Owners copies of any revised By-laws, rules or regulations in writing with a covering explanatory letter or memorandum as may be deemed necessary by the mutual agreement of the Manager and the Corporation.
- (t) On the express direction of the Corporation and at the sole cost and expense of the Corporation, the Manager agrees, in the name of and on behalf of the Corporation, to:
 - (i) Retain legal counsel to commence and prosecute an action pursuant to section 36 of the *Condominium Property Act, RSA 2000* with respect to a contravention of the By-laws;
 - (ii) Impose and collect deposits under Section 53 of the *Condominium Property Act, RSA 2000*;
 - (iii) Give notices to owners and tenants to give up possession of Units under section 54 of the *Condominium Property Act, RSA 2000*;
 - (iv) Retain legal counsel to make application to the Court under sections 55 and 56 of the *Condominium Property Act, RSA 2000*.

and further to account to the Corporation for any deposits received by it hereunder and to do all such things as may be reasonably required to complete the eviction of any tenant pursuant to the procedures referred to herein;

- (u) The Manager shall not be responsible for failure to perform or have performed any of the above services cause by strikes, unavoidable casualties or any other causes beyond the reasonable control of the Manager.
3. In discharging its responsibilities under paragraph 3 hereof, the Manager shall not make any single expenditure nor incur any non-recurring contractual obligation exceeding One Thousand (\$1,000.00) Dollars without the prior written consent of the Corporation UNLESS such expenditure or obligation is provided for in the current Board-approved budget of the Corporation, provided that no such consent shall be required to repay any advances or loan made to the Corporation by the Manager pursuant to this management agreement. Notwithstanding the limitations imposed by the preceding sentence, the Manager may, on behalf of the Corporation and without incurring any obligation to the Corporation, make a payment in any amount required to deal with emergency conditions which may threaten the safety of the Properties or its owners and occupants or may threaten the suspension of any necessary service to the Corporation.
4. Notwithstanding any other provision of this Agreement, the Manager is given no authority or responsibility for maintenance of or repairs to individual dwelling units in the Properties that do not form part of the common property. Such maintenance and repairs shall be the sole responsibility of the owners individually.
5. (a) The Manager agrees that all monies collected by it on behalf of the Corporation shall be deposited and kept in
- i. an operating account for the purpose of all transactions estimated and contemplated in the context of the annual operating budget and;
 - ii. a reserve fund account for the purposes of retaining reserve funds in accordance with the Condominium Property Act;

both accounts being separate from the Manager's personal account and in a Canadian Chartered Bank or Trust Company. Funds surplus to the current requirements of the Corporation shall from time to time be deposited in interest-bearing term deposits or savings account(s) with a bank or trust company subject to specific directions of the Corporation. The Manager and the Corporation acknowledge that they are aware of the investment limitations of Section 43 of the *Condominium Property Act, RSA 2000*.

- (b) All expenses of operation and management, and any amount which are due to the Manager by the Corporation hereunder, may be paid from the funds received from the Corporation and held by the Manager, and the Manager is authorized to pay any amount owed to the Manager by the Corporation from such account at any time without prior notice to the Corporation. The Manager shall have no obligation to advance any of its own funds to the Corporation for any purpose whatsoever. However, at its sole option the Manager may, upon request of the Corporation, loan and advance funds to the Corporation. The Corporation shall pay interest on such loans and advances at the rate of 6% over the Toronto-Dominion Bank commercial prime rate in Calgary.
- (c) Upon receipt of appropriate written instruction from the Corporation, the Manager shall obtain recommendations from the Corporation's existing insurers regarding

the placing or updating of new or existing fidelity bond coverage issued in the name of the Corporation, for its exclusive benefit and at its sole cost. In this regard, the Manager agrees to provide all necessary information and to cooperate in respect of all reasonable limitations imposed on the Manager or the Corporation by the terms of such bond, and to provide a confirming certificate of same to the Corporation. In this regard the Manager represents that all its employees who handle or are responsible for the safekeeping of any monies of the Corporation may be bonded to the Manager by fidelity bond. The Manager also agrees when requested, at the cost of the Corporation, to obtain and maintain a fidelity bond for the benefit of and naming the Corporation therein, such bond to be in an amount to be determined by the Corporation. Evidence of such bonding shall be delivered to the Corporation within thirty (30) days of the execution of this Agreement and from time to time thereafter at the request of the Corporation.

6. The Corporation agrees to pay to the Manager as compensation to it for the monthly services to be rendered by the Manager in accordance with this Agreement the sum of One Thousand Three Hundred Forty-five (\$1,345.00) Dollars plus Good and Services Tax per month payable in advance on the first of each and every month during the term of this Agreement, subject to any variations of such compensation set out in a budget submitted by the Manager and approved by the Board of Directors and as otherwise set out within the context of this Agreement.
7. In addition to the monthly compensation payable to the Manager herein, the Corporation agrees to pay to the Manager, at its discretion the sum of One Hundred Fifteen (\$115.00) Dollars for each hour spent by the Manager in performing any extra or additional services referred to in this agreement and other extra or additional services not specifically provided for in the Agreement, including but not so as to limit the generality of the foregoing:
 - (a) The time of the Manager (and costs and disbursements) incurred in any proceedings or law suit involving the Corporation including the commencement and prosecution of proceeding under *The Provincial Court Act*,
 - (b) The time of the Manager (and costs and disbursements) incurred in researching, commissioning, organizing, administering, supervising or managing of any capital work that needs to be completed in terms of the recommendations and requirements of the Reserve Fund Study where such work has a value in excess of Five Thousand (\$5,000.00) Dollars;
 - (c) Attending to any emergency items and matters after regular office hours at the rate of One Hundred Fifteen (\$115.00) Dollars;
 - (d) If the Manager agrees to assist the Corporation, the time of the Manager (and costs and disbursements) incurred in performing clerical services such as the preparation and circulation of notices and newsletters and general

correspondence of the Corporation and in producing and providing documents required to be given by the Corporation pursuant to the Act excepting notices, agendas and other materials related to the convening of Annual General Meetings of the Corporation;

- (e) Dealing with insurance claims, negotiations and arrangements;
 - (f) The time of the Manager incurred in investing surplus funds of the Corporation unless such funds are deposited in an interest bearing savings account or a special term deposit at the bank of the Manager;
 - (g) The time of the Manager to coordinate fire inspection or other visits to the building by contractors for access to units;
 - (h) The Manager may charge a proportionate share of the audit fee for the required audit by the Real Estate Council of Alberta to a maximum of Three Hundred (\$300.00) Dollars annually.
 - (i) The time of the Manager (and costs and disbursements) incurred by imposing and collecting deposits under section 53 of the *Condominium Property Act, RSA 2000*, giving notices to give up possession of Units under section 53 of the *Condominium Property Act, RSA 2000* and making applications to the Court under sections 55 and 56 of the *Condominium Property Act, RSA 2000*.
8. The Manager, or an officer or employee thereof shall, at the request of the Corporation, attend meetings and Annual General Meeting of the Board of Directors of the Corporation at a cost of One Hundred Fifteen ((\$115.00) Dollars for each meeting after six (6) board meetings in each term.
9. If a special assessment is levied at any time, the Manager may charge an administration fee of Two (2%) of the special assessment.
10. The Manager may charge a nominal fee to owners for collection of non-sufficient funds or bank returned cheques to offset management costs in the collection of fees. The Manager may charge the Corporation a reasonable fee for all photocopying, fading, envelopes and for all postage costs, and all of these costs are in addition to the monthly fee payable by the Corporation to the Manager hereunder.
11. The Manager shall not be required to record minutes of the meetings of the Board of Managers and the Corporation. The Manager is required to be the custodian of the official records and documents of the Corporation.
12. The Corporation shall from time to time designate a single individual who shall be authorized to deal with the Manager on any matter relating to the management of the Properties. In the absence of any other designation by the Corporation, the Chairman or President of the Board of Managers thereof shall be deemed to be the person so designated.
13. (a) The Manager shall have no obligation without express direction to the contrary, to make any physical or structural changes in the Properties or to make any other major alterations or additions in or to any building or equipment therein, except such emergency repairs as may be required because of danger to life or property or which are immediately necessary for the preservation and safety of the Properties or the safety of the owners and occupants or are required to avoid the suspension of any necessary service to the Corporation.

- (b) The Manager is given no responsibility for compliance by the Corporation or by any of the owners, in respect of any ordinances, laws, rules or regulations and whether municipal, provincial, federal or made by any public authority official thereof having jurisdiction over it, except to notify the Corporation promptly, or forward to the Corporation promptly, any orders, complaints, warnings, notices, summonses or like documents received by it relating to such matters. The corporation represents that, to the best of its knowledge, the Properties comply with all such requirements and hereby covenants to indemnify and hold harmless the Manager, its agents, servants and employees of and from all loss, cost damage, expense or liability whatsoever which may be imposed on them or any of them by reason of any present or future violation or alleged violation of such laws, ordinances, rules or regulations, except where unlawfully or negligently omitted or violated by the Manager or any of its agents, servants or employees.
14. At all times the Manager shall act in the best interests of the Corporation. The Corporation and the Manager agree that all information on the development, management or disposal of the Properties or of any units or part thereof, and of the Corporation, whether financial or otherwise, shall be treated and forever held confidentially, and this provision shall survive any termination of this Agreement.
15. Notwithstanding any other provision of this Agreement, the Manager shall not be responsible for:
- (a) The completion of original developer or builder construction, and/or remedying if defective, mechanical systems' operations as installed by the developer or builder, unless the time of the Manager (and costs and disbursements) incurred in the researching, commissioning, organizing, administering, supervising or managing of such original developer or builder construction if incomplete or defective mechanical systems operations, including the procurement of studies or reports from third party contractors or suppliers to the Properties where such work has a value in excess of Five Thousand (\$5,000.00) Dollars, is paid to the Manager at the rate of One Hundred (\$100.00) DOLLARS for each hour spent by the Manager in performing such services pertaining to such matters;
- (b) For the remedying or the maintenance of, or repairs to individual dwelling units or buildings of the Corporation or portions of the units not deemed to common property or adjacent lands that do not form part of the common property (such maintenance and repairs shall be the responsibility of the individual owners of the Corporation as the case may be); and
- (c) For acting as liaison, agent or representative between the individual unit owners and the developer or builder, the Corporation or any mortgagee of the Properties, unless the Corporation otherwise specifically authorizes the Manager to do so in writing;

And the Corporation further agrees in this regard:

- (d) to indemnify, defend, and save harmless the Manager as its Agent from and against all claims, demands, actions, causes of action and suits in connection with the Properties and from all liability for damage to property and for injuries to or death of any Unit Owner, or any officer, agent or employee of the Corporation or other person whomsoever (except in those cases where the Manager shall be

finally adjudged to have been negligent or in breach of this Agreement or any trust hereunder);

- (e) to pay all expenses reasonably incurred by the Manager, including without limitation legal fees and disbursements on a solicitor-and-his own client basis full indemnity basis, to defend the Manager or the Corporation in any proceeding or suit involving an alleged violation by the Manager and the Corporation or either of them of any provision in any statute, regulation or by-law, but nothing herein shall require the Manager to employ counsel to represent the Corporation in any such proceeding or suit.
15. Whether or not this is a developer's management agreement, the Manager shall not be obliged to ensure that the developer complies with the obligations of the Act or any other law in force in the Province of Alberta. In particular, and without limitation, the Manager shall not be responsible for:
- (a) The developer's failure to complete any unit located on the Lands or the developer's failure to complete the common property located on the Lands;
 - (b) The developer's failure to build and construct the condominium corporation in accordance with all required laws including development permits and building permits; and
 - (c) The developer's failure to deliver to the Corporation all documents and materials required by the Act in the manner prescribed by the Act.
16. In connection with the *Occupiers' Liability Act*, RSA 2000, c.O-4, the Corporation specifically acknowledges and agrees that the Manager is not in physical possession of any premises on the Properties, nor (except as the Agent authorized and directed by the Board of Directors from time to time, expressly or by implication) does the Manager have any responsibility for or control over the condition of the premises, the activities conducted on those premises or the persons allowed to enter those premises.
17. The Corporation covenants and agrees with the Manager to indemnify and save the Manager harmless from and against:
- (a) all claims, demands, actions, causes or actions and suits in any way connected with the Properties or the management of the Properties by the Manager; and
 - (b) from any and all liability for damage to property and injuries or to death of any owner or any officer, agent or employee of the Corporation or other person whomsoever.
18. The Corporation shall obtain and keep in force for the duration of this Agreement, at least the following insurance, naming as insured both the Manager and the Corporation:
- (a) direct loss or damage to the Properties, including any personal property of the Corporation or the Manager from time to time found on the properties, resulting from fire and supplemental risks, on the basis of replacement value to the extent obtainable;

a charge against all 10,000 undivided one ten thousandths shares in the Corporation and authorize the registration of a caveat against the common property by the Manager to secure the payment of such amounts and any and all other charges which are due to the Manager by the Corporation pursuant to this Agreement.

27. (a) Any notice or demand required or permitted herein, shall be in writing and shall be effected by delivery or by sending the same in a postage prepaid envelope by registered mail, addressed to the Manager as follows:


MCM PROPERTY MANAGEMENT LTD.
200, 1010 - 8 Avenue SW
Calgary, Alberta, T2P 1J2


and addressed to the Corporation c/o the President or Chairman at his address shown on the records of the Manager. Any such notice shall be deemed to have been received on the date of delivery or on the third business day following the mailing as aforesaid;

- (b) Either of the parties hereto may change its address for notice by sending notice thereof to the other party.
28. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and Their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have caused these presents to be executed by the duty authorized signatory of the Corporation under their respective corporate seals as of the day, month and year first above written.

CONDOMINIUM CORPORATION NO. 9810287

Per:  Shaheed M. Jadhav
Chairman

Per:  Eileen Bailey
Vice Chairman

MCM PROPERTY MANAGEMENT LTD.

Per:  Cassidy Dineen
President