CONDOMINIUM MANAGEMENT AGREEMENT

THIS AGREEMENT made effective the 1st day of October 2017

BETWEEN:

PEKA PROFESSIONAL PROPERTY MANAGEMENT LTD.
105, 1002 -8th Avenue
Canmore, AB. T1W 0C4
Phone: (403) 678-6162 Fax: (403) 678-4990
info@peka.ca

(Hereinafter called "PEKA")

AND:

Condominium Plan # 0310034 redivision plan # 0410395 and 0510165
Crossbow Point Condominium
Canmore, AB.

(Hereinafter called "the Corporation")

WHEREAS the Corporation has registered Condominium Plan # 0310034 redivision plan # 0410395 and 0510165 (hereinafter called "the Condominium") at the Land Titles Office for the South Alberta Land Registration District at Calgary, Alberta pursuant to the provisions of the Condominium Property Act of Alberta, R.S.A. 2000, as amended, (hereinafter called "the Act"),

AND WHEREAS, under the provisions of the By-Laws of the Corporation the Board of Directors of the Corporation (hereinafter called "the Board") is authorized to engage PEKA on behalf of the Corporation to manage the Condominium,

AND WHEREAS, the Board, for itself and on behalf of the Corporation, desires to employ PEKA to manage the Condominium, and PEKA desires to be employed to manage the Condominium,

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. EMPLOYMENT AND TERM

The Board for itself and on behalf of the Corporation, hereby employs PEKA exclusively to manage the Condominium beginning on the first day of October 2017 and this Agreement shall continue in force for a period of two years and eleven months at which time it will automatically renew for each year, provided, there are no changes to the contract by either party. Termination is in accordance with one of the following paragraphs:

a. Following the first year term, the Corporation may terminate this Agreement by a 75% Board resolution. This Resolution shall stipulate a period of ninety (90) days or longer for the orderly transfer of responsibilities from PEKA to the new manager;

b. PEKA may terminate this Agreement by giving ninety (90) days' written notice to the Board; or

c. The Corporation may terminate this Agreement at any time under the terms of Section 16 of this Agreement.

2. AGREEMENT OF CONTRACTOR

PEKA agrees to manage the Condominium to the extent, for the period, and upon the terms and conditions herein provided.

3. CONTRACTOR SERVICES

More particularly, PEKA agrees to perform the following services in the name of and on behalf of the Corporation, and the Corporation hereby gives PEKA the authority and powers required to perform these services:

a. PEKA shall receive, receipt and deposit all monthly assessments and other charges due to the Corporation for the operation of the Condominium, shall advise the Board of delinquent payments, and shall send notices of delinquency as authorized and directed by the Board.

b. PEKA shall maintain records showing all receipts and expenditures relating to the Condominium and shall promptly submit to the Board or its nominee a cash receipts and disbursements statement for the preceding month and a statement indicating the balance or deficit in the Corporation's accounts on or before the last day of the following month or such later date as the Board may specify.

c. On or before (to be determined), of each year, as the Board deems appropriate, PEKA shall prepare and submit to the Board or its nominee a recommended budget for the operation and management of the Condominium, including the activities of the Board, for the next fiscal year, showing anticipated receipts and expenditures for such year, and shall assist the Board in determining the Appropriate assessment contribution to be paid by each unit owner for common and administrative expenses, as required by the Act and the By-Laws of the Corporation, and shall recommend such revisions thereof as may from time to time be appropriate. PEKA shall administer such funds on behalf of the Corporation and its Board; however, no action or purchase shall be undertaken under the budget until the budget (in final form) is approved by the Board.

d. Within thirty (30) days after the end of each fiscal year or such later date as the Board may specify, PEKA shall submit to the Corporation a summary of all receipts and expenditures relating to the Condominium for the preceding year, provided that this service shall not be construed to require PEKA to supply an audit. Any audit required by the Corporation shall be prepared at the expense of the Corporation by accountants selected by the Board.

e. Subject to the direction of the Board, and at the expense of the Corporation, PEKA shall cause the common property of the Condominium to be maintained

according to standards appropriate to and consistent with the age, character and the financial position of the Corporation.

f. Based on the budget, standards and wage rates previously approved by the Board, PEKA shall negotiate agreements with, coordinate and discharge personnel required to maintain and operate the Condominium properly. All such personnel shall be contractors or employees of the Corporation and not of PEKA. All salaries, taxes and other expenses payable on account of any such contractors or employees shall be paid for by the Corporation.

g. PEKA 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 any unit or the common property, and if a claim or lien shall be filed in respect of such work, subject to the direction of the Board and at the expense of the Corporation, PEKA shall forthwith use its best efforts to have same removed and discharged, when and if appropriate.

h. PEKA 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 contributions and deductions for unemployment insurance, Canada Pension Plan, Income Tax and any other contributions or payments required under any social, labor or tax legislation in force from time to time. In connection therewith and, the Corporation agrees to execute and deliver promptly to PEKA all necessary powers of attorney, notices of appointment and like approvals or directions.

i. Subject to the direction of the Board, PEKA shall negotiate and execute on behalf of the Corporation, contracts for snow removal, landscaping and such other services for the Condominium as may be necessary or desirable. PEKA 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 Condominium. All such purchases and contracts shall be in the name of and at the expense of the Corporation.

j. PEKA will pay from the funds of the Corporation all applicable building inspection fees, insurance premiums on policies for the Corporation, and all other charges or obligations incurred by the Corporation with respect to the maintenance or operation of the Condominium or incurred by PEKA on behalf of the Corporation pursuant to the terms of this agreement or promptly advise the Board of such charges or obligations due, pursuant to any authority granted by the Corporation.

k. PEKA shall maintain appropriate records of all insurance coverage carried by the Corporation. PEKA shall co-operate with the Board in investigating and reporting all accidents or claims for damage relating to the ownership, operation and maintenance of common property of the Condominium including any damage or destruction thereto.

l. PEKA shall advise owners, purchasers, tenants and other occupants of Condominium By-Laws and parking regulations.

m. PEKA shall maintain a current listing of owners, mortgagees and tenants, but shall not be responsible for failure to do so caused by lack of co-operation from owners, mortgagees and/or tenants.

n. PEKA shall keep the Board and all owners of units advised of the telephone number or numbers at which an agent or representative of PEKA may be reached 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. PEKA shall forthwith report to the Board any major emergency or any persistent, flagrant or serious violation of the By-Laws or any rules and regulations in force. PEKA shall deal promptly with infractions and deal immediately with any emergency arising in connection with the maintenance and operation of the common property which is determined as such by PEKA or the Board.

o. PEKA shall not be responsible for failure to have performed any of the above services caused by strikes, unavoidable casualties or any cause beyond PEKA's control.

4. LIMITATION ON EXPENDITURES

a. In discharging its responsibilities under paragraph 3 hereof, PEKA shall not make any expenditures nor incur any non-recurring, unbudgeted contractual obligation exceeding one thousand five hundred dollars ($1,500.00) without the prior consent of the Board, provided that no such consent shall be required to repay any advances made by PEKA under the terms of paragraph 4(c).

b. Unless the Board directs otherwise in specific situations, any normal expenditure in excess of Five Thousand Dollars ($5,000.00) will be tendered for a minimum of Two (2) and preferably Three (3) quotations.

c. PEKA shall have no authority to make any physical or structural changes to the Condominium or to make any other major alteration or addition 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 Condominium or the safety of the owners or occupants or are required to avoid the suspension of any necessary services to the Condominium. **It is understood and agreed by the parties hereto that PEKA shall at its sole discretion determine whether or not an emergency exists and whether or not such emergency is of a major or minor nature. Notwithstanding paragraph 4(a) and paragraph 4(b) hereof, PEKA may proceed with any said emergency repairs on behalf of the Corporation without the prior consent of the Board.**

5. INDIVIDUAL UNITS

NOTWITHSTANDING any other provision of this agreement, PEKA is given no authority or responsibility for maintenance of or repairs to individual dwelling units in the Condominium unless:

a. the Board orders PEKA to undertake specific repairs or maintenance for the common good of the Corporation; and PEKA agrees to perform these tasks on behalf of the Board; or

b. the necessity arises in the course of neutralizing an emergency situation under the powers given in paragraph 4 above. Any such maintenance or repairs shall be the responsibility of the Corporation and the individual unit owners.

6. CONDOMINIUM MONIES

PEKA agrees that all monies collected by it on behalf of the Corporation shall be deposited and kept in a separate account in a Canadian Bank or Trust Company.

PEKA agrees that its employees who handle or are responsible for the safekeeping of any monies of the Corporation shall be covered by a fidelity bond protecting the Corporation, such bond to be in an amount and with a company determined by the Board. The cost of such bond shall be paid by the Corporation.

7. MANAGEMENT COMPENSATION

The Corporation shall pay to PEKA as compensation for services rendered by PEKA in accordance with this agreement $21.00 Twenty one dollars per unit per month plus G.S.T. in lawful money of Canada or such other amount as may be set from time to time by agreement between the Corporation and PEKA and entered into the Minutes of the meeting of the Board at which the agreement was reached. This sum will be payable on or before the last day of each and every month during the term of this Agreement.

Additional charges will be made to the Corporation to reimburse PEKA for direct expenses incurred, such as for postage, multiple copies, production of newsletters, long distance telephone calls, bank charges, special stationery and/or supplies purchased specifically for the Corporation. Time spent by PEKA on behalf of the Corporation in preparing for appearing in Court, in arbitration hearings, or in extraordinary pursuits will be charged for at $75.00 per hour (or such amount as may be agreed upon between the Corporation and PEKA and entered into the Minutes of the meeting of the Board at which the agreement was reached), under the following terms and conditions:

In the case of any capital project identified in the Reserve Fund Plan (RFP) that exceeds $5000, PEKA will automatically charge 2% of the tendered quote to cover their expenses to coordinate the project.

PEKA will advise the Board if a situation which, in PEKA's opinion, constitutes an "extraordinary pursuit" has arisen, as soon as it becomes apparent. PEKA will provide the Board with its assessment of the situation and costs to date along with a prognosis, if possible. If the Board agrees that an "extraordinary pursuit" has arisen, it will authorize payment of PEKA's account to date. PEKA's account will be based upon the rate established from time to time. If the Corporation wishes PEKA to continue in the extraordinary pursuit, PEKA and the Corporation will negotiate an appropriate fee structure or flat rate.

8. MEETINGS AND REPORTING

Upon a minimum of 48 hours' prior written notice confirmed by telephone, a PEKA representative (which representative is subject to the approval of the Board) shall, for the purpose of presenting a report and receiving directions, attend meetings of the Board.

For any meeting outside Canmore and Banff, the Corporation shall pay PEKA $75.00 per hour (or such amount as may be agreed upon annually between the Corporation and PEKA and entered into the Minutes of the meeting of the Board at which the agreement was reached) for any such attendance, which includes travel time. It is understood and agreed between the Corporation and PEKA that PEKA shall have the right to request an alternate meeting date at the time of notification, should the time chosen by the Board conflict with other PEKA commitments.

9. REPOSITORY OF RECORDS

PEKA shall be custodian of the official records of the Board and the Corporation but shall not be required to record the Minutes of meetings. PEKA shall keep all official records given into its care in a safe place.

10. DESIGNATED REPRESENTATIVE

The Corporation, through its Board, shall from time to time designate one or more individual(s) who shall be authorized to deal with PEKA on any matter relating to the management of the Condominium. Direct communication with any Board member on matters relating to his or her official capacity or known expertise shall be permitted, but decisions reached as a result of such direct communication shall require ratification of the Board at its next meeting, or by telephone poll.

Until otherwise notified, the officers designated by the Board are the current President and Vice-President and, except as noted herein, PEKA is directed not to accept directions or instructions with regard to the management of the Condominium from anyone else unless authorized by the current President or Vice-President.

11. COMPLIANCE WITH LEGISLATION

PEKA is not responsible for compliance by the Corporation, its Board, or any owner with any ordinance, law, rule or regulation, whether municipal, provincial, federal or made by any public authority or official thereof having jurisdiction notice, summons or like document received by it relating to such matters.

The Corporation represents that to the best of its knowledge the Condominium complies with all such requirements and agrees to indemnify and hold harmless PEKA, 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 law, ordinance, rule or regulation, except where unlawfully or negligently omitted or violated by PEKA or any of its agents, servants or employees.

12. STATEMENT OF DUTY

At all times, PEKA shall act in the best interest of the Corporation and in so acting, PEKA, shall not be influenced to the detriment of the Corporation by reason of any financial or other relationship it may have with any other person, firm or corporation. All information on the development, management or disposal of the Condominium 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.

13. COVENANTS OF THE CORPORATION

The Corporation hereby agrees:

a. To indemnify, defend and save PEKA harmless from and against all claims, demands, actions, causes or actions and suits in connection with the Condominium, the Corporation and/or the Board and from liability for damage to property and injuries to or death of any owner, any tenant, or any officer, agent or employee of the Corporation or other person whomsoever, and to carry at its expense public liability and property damage insurance naming the Corporation, the Condominium, the Board and PEKA as insurers, which insurance shall be in form, substance and amounts satisfactory to PEKA; and the Corporation shall evidence the existence of such insurance upon request. Unless the Corporation shall provide such insurance and/or furnish such evidence within fifteen (15) days of PEKA's request for same, PEKA may, but shall not be obligated to, place said insurance and charge the cost thereof to the account of the Corporation.

b. To pay all expenses incurred by PEKA including without limitation all legal fees and disbursements for counsel employed to represent PEKA and/or the Corporation in any proceeding or suit involving an alleged violation by PEKA and/or the Corporation, and/or any officer, agent and/or employee of either and/or both of them, of any provision statute, ordinance, law or regulation, including without restricting the generality of the foregoing, any law relating to environmental protection, fair housing or fair employment (unless PEKA is finally adjudicated to have, for its own account and not in a representative capacity, knowingly violated such provision, statute, ordinance, law or regulation) but nothing herein contained shall require PEKA to employ counsel to represent the Corporation in any such proceeding or suit. NOTWITHSTANDING THE FOREGOING, the Board shall not be obliged to make any payment to, or reimburse PEKA for any cost or expense incurred by PEKA while acting outside the course of its agency or in conducting or operating its own business or office.

c. To provide PEKA with all documents and records available to the Corporation which may be required by PEKA to properly manage and operate the Corporation and to perform its duties hereunder.

d. To provide PEKA with copies of any amendments or additions to the By-Laws of the Corporation.

14. DISPUTE RESOLUTION

In the event a dispute arises between the parties hereto relating to any question of construction or interpretation of this agreement or the privileges, rights, duties or liabilities of the parties hereunder or of either of them, such dispute shall be submitted to an arbitrator to be agreed upon by both parties within thirty (30) days of one party giving notice to the other in the manner prescribed in paragraph 17.1 of this Agreement. Each party shall pay its own costs and shall share equally the costs of arbitration. The award

and determination of the arbitrator shall be final and binding upon both parties and each party agrees not to appeal any such award or determination.

15. APPLICATION OF THE CONDOMINIUM PROPERTY ACT

The Board and PEKA shall abide by the Act as amended from time to time or any legislation passed in substitution therefore or replacement thereof and the By-Laws of the Corporation as amended from time to time. Each acknowledges and agrees that this Agreement is subject to the provisions of the Act insofar as it is applicable to this Agreement. In the event of any conflict between the Act or the By-Laws and any provision of this Agreement, the Act and/or By-Laws shall prevail.

Words and expressions which have a special meaning assigned to them in the Act or in the By-Laws of the Corporation have the same meaning in this Agreement unless a contrary intent is expressed in this Agreement.

16. EVENTS OF TERMINATION

Notwithstanding the other provisions hereof, this Agreement shall terminate upon any of the following events:

a. The insolvency or bankruptcy of PEKA, or upon PEKA taking steps to wind up its business voluntarily or otherwise; or

b. On the termination of the condominium status of the Condominium as it presently exists or as it may be amended.

c. If PEKA is insubordinate, reckless or negligent in performing its duties hereunder. The Corporation, through its Board, shall give PEKA thirty (30) days' notice to cure any complaint, deficit, failure or omission on the part of PEKA, and if such complaint, deficit, failure or omission is not cured or dealt with to the reasonable satisfaction of the Corporation within such time, then this Agreement shall forthwith terminate without further notice.

d. If the Corporation fails to comply with PEKA's demand that the Corporation specifically assume, novate and ratify with PEKA all of the covenants, obligations and liabilities, and grant all of the indemnities undertaken by the Corporation contained in this Agreement.

17. NOTICES

Any notice or demand required or permitted herein shall be in writing and shall be effected by sending same:

a. To PEKA by prepaid registered mail at:
105, 1002 - 8th Avenue, Canmore, AB. T1W 0C4

b. To PEKA by commercial courier at:
105, 1002 - 8th Avenue, Canmore, AB. T1W 0C4

c. To the Corporation by prepaid registered mail at:
current President's home address

d. To the Corporation by commercial courier at:
current President's home address

Notices sent as prescribed above shall be deemed received on the third business day after the day sent.

Either party may change its address for notices by sending notice to the other as set forth in paragraph 17 above.

18. INUREMENT

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have caused these presents to be executed as of the day and year first above written.

CONDOMINIUM CORPORATION NO 0310034 redivision plan # 0410395 and 0510165.

Per: _____ DAVID MINIFIE (President)
(Board member's signature) (Print name)

Per: M. Anne Forbes ANNE FORBES (Vice-President)
(Board member's signature) (Print name)

PEKA PROFESSIONAL PROPERTY MANAGEMENT LTD.

Per: _____