



STRATA MANAGEMENT AGREEMENT

THE AGREEMENT DATED for reference as of the _____ day of _____, 20_____.

BETWEEN:

THE OWNERS, STRATA PLAN _____,

a Strata Corporation constituted under the laws of British Columbia and having its

address at _____,

_____, B.C., V _____

(hereinafter called the “**Strata Corporation**”)

OF THE FIRST PART

AND

_____,

a company incorporated under the laws of the Province of British Columbia

with offices at _____,

_____, B.C., V _____

(hereinafter called the “**Agent**”)

OF THE SECOND PART

WHEREAS:

- A. The Strata Corporation is responsible for the control, management, maintenance and administration of the common property and common assets of the Strata Corporation and all personnel, operations, business and activities associated with or carried on in the Strata Plan.
- B. Subject to the Act and the Bylaws, the Strata Council must exercise the powers and perform the duties of the Strata Corporation, including the enforcement of the Bylaws and Rules.
- C. The Agent has agreed to provide certain services to the Strata Corporation.
- D. The Strata Corporation has agreed to contract with the Agent for the purposes of providing the services described in this Agreement.

WITNESS THEREFORE that in consideration of the sum of Ten (\$10.00) Dollars now paid by each party to the other (the receipt and sufficiency whereof is by each hereby acknowledged) and in consideration of the mutual promises contained herein, the parties agree, one with the other, as follows:

Definitions

1. In this Agreement, the following terms shall have the following meanings:
 - 1.1 “**Act**” means the *Strata Property Act* and amendments thereto and any regulations adopted pursuant to the Act;
 - 1.2 “**Agent**” means the strata property agency brokerage described on page 1 of this Agreement;
 - 1.3 “**Agent’s Fees**” means the fees payable to the Agent pursuant to Clause 5.2 of this Agreement;
 - 1.4 “**Agreement**” means this agreement, including any schedules attached to this agreement, and any amendments to this agreement;
 - 1.5 “**Bylaws**” means the bylaws adopted by the Strata Corporation and in effect from time to time;
 - 1.6 “**CRT**” means the Civil Resolution Tribunal of British Columbia;
 - 1.7 “**Laws**” means all applicable restrictive covenants, zoning ordinances and building codes, health, environmental and safety laws and regulations, and other municipal, provincial and federal laws, statutes, ordinances, rules, regulations, orders, civil resolution tribunal decisions and court decisions;
 - 1.8 “**Meetings**” means all Strata Council meetings and Strata Corporation general meetings;
 - 1.9 “**Owners**” means the owners of strata lots included in the Strata Plan;
 - 1.10 “**PIPA**” means the *Personal Information Protection Act and amendments thereto and any regulations adopted pursuant to the Personal Information Protection Act*;
 - 1.11 “**RESA**” means the *Real Estate Services Act* and amendments thereto and any regulations or rules adopted pursuant to the *Real Estate Services Act*;
 - 1.12 “**Rules**” means the rules of the Strata Corporation made pursuant to sec. 125 of the Act from time to time;
 - 1.13 “**Section**” means a section of the Strata Corporation created pursuant to Part 11 of the Act;
 - 1.14 “**Strata Corporation**” means the strata corporation described on page 1 of this Agreement;
 - 1.15 “**Strata Council**” means the strata council of the Strata Corporation;
 - 1.16 “**Strata Plan**” means the strata plan filed in the Land Title Office that created the Strata Corporation; and
 - 1.17 “**Tax**” means the Goods and Services Tax as may be applicable under the *Excise Tax Act* and the Provincial Sales Tax as may be applicable under the *Provincial Sales Tax Act* and any other applicable tax in replacement or substitution therefor that is applicable to the services provided under this Agreement

Exclusive Appointment

- Commencing on the Commencement Date set out in item 1 of Schedule A attached to this Agreement, the Strata Corporation appoints the Agent as its sole and exclusive Agent to provide services to the Strata Corporation upon the terms and conditions contained in this Agreement. The Agent agrees to provide the services in a diligent and honest manner, subject to the direction of the Strata Council and the terms of this Agreement.

Agent's Agreement

- The Agent hereby covenants and agrees with the Strata Corporation as follows:

General

3.1 Agent Services - To furnish the services of the Agent as agent for the Strata Corporation in assisting the Strata Council in managing the business affairs of the Strata Corporation;

3.2 Administration - To assist the Strata Council with its administration of the common property and common assets of the Strata Corporation at the direction of the Strata Council;

3.3 Strata Corporation's Performance - To assist the Strata Council with the performance of all obligations required to be performed by the Strata Corporation pursuant to the Act and agreements entered into between the Strata Corporation and any other person, firm or corporation in respect of the business affairs of the Strata Corporation;

3.4 Staffing - To designate a representative of the Agent to be the principal contact person between the Agent and the Strata Corporation;

Financial

3.5 Strata Fees - To receive and record all strata fees, special levies, user fees, contributions to the contingency reserve fund, and other revenues and amounts due to the Strata Corporation;

3.6 Unpaid Strata Fees - Upon specific instructions of the Strata Council, demand and attempt to lawfully recover strata fees, contingency reserve fees, special levies or user fees and any and all other monies from time to time payable by Owners to the Strata Corporation.

To assist the Strata Council in the collection of unpaid monthly strata fees, special levies, user fees, contributions to the contingency reserve fund and any other monies due to the Strata Corporation. Such assistance may include, with the direction of Strata Council, and the charge of a fee in the amount set forth in item 12 of Schedule A:

(a) the signing, filing and delivering of certificates of liens, receipts, certificates and acknowledgements; and

(b) working with the Strata Corporation's legal counsel in taking legal or other enforcement action;

3.7 Annual Budget - To annually furnish an estimate of revenues and expenses in order to assist the Strata Council in determining the appropriate amount of contribution to be paid by each Owner towards operating expenses and the contingency reserve fund as part of the budgeting process required by the Act;

3.8 Accounting Statement - To provide the Strata Council with a monthly accounting statement of receipts, disbursements, expenses and charges;

3.9 Miscellaneous Accounting Functions – To provide accounting functions requested by the Strata Corporation and/or Strata Council that are not included elsewhere in this Agreement. For example, calculations related to shared expenses and to charge a fee for such services in the amount set forth in item 2 of Schedule A.

3.10 Bank Statement - To provide the Strata Council with a copy of each monthly bank statement for each trust account and a reconciliation of same within 6 weeks after the end of the month to which the statement relates;

3.11 Expenditures - Provided funds are available and subject to the Strata Council's authorization where required, to pay from the Strata Corporation's funds in a timely fashion all charges, expenses and outgoings payable by or chargeable to the Strata Corporation;

3.12 Payroll Accounts - If necessary, to provide payroll accounting for Strata Corporation employees either directly or through a third party service provider and to charge a fee for such services in the amount set forth in item 3 of Schedule A;

3.13 Strata Corporation's Monies - To deposit all receipts of the Strata Corporation into the appropriate trust account(s) in accordance with the provisions of RESA, such trust accounts to be separate from the Agent's corporate accounts and deposited with an institution qualified to engage in the credit union, banking or trust business. To withdraw funds from or transfer funds between such accounts as may be appropriate. The Agent may transfer such monies between accounts and pooled trust accounts as permitted by RESA and may invest the Strata Corporation's funds as directed by the Strata Council and as permitted under RESA and section 95 of the Act;

Trust Accounts

3.14 Maintenance of Trust Accounts - To maintain at least one separate trust account for operating expenses in the name of the Strata Corporation;

3.15 Contingency Reserve/Special Levy Trust Accounts - To maintain separate trust accounts and sub-accounts for contingency reserve money and special levy money;

3.16 Statutory Review of Books - To keep full and detailed books and to make the books available for the annual review of books maintained by the Agent as required by the Real Estate Council of BC pursuant to RESA, and to charge the fee specified in item 1 of Schedule B, whether or not the Strata Corporation's books are in fact reviewed in whole or in part;

3.17 Strata Corporation's Audit – To keep full and detailed books and if directed by the Strata Corporation, to arrange for an outside accountant to conduct an audit or review engagement of the books at the Strata Corporation's cost. The Agent shall charge a fee specified in item 3(c) of Schedule B for supervising the independent audit or review engagement;

3.18 Signing Authority - To ensure that the signing authority of the Agent for the operating fund trust account and/or pooled trust accounts includes at least one managing broker of the Agent. If contingency reserve and/or special levy trust accounts are maintained, two signing authorities shall be required for any transfer of funds, which signing authority may be any two of the following: a managing broker, a licensee, director, officer or accountant of the Agent. In any event, such execution must be at the direction of the Strata Council.

Meetings/Attendances

3.19 Meetings - To arrange for a representative of the Agent to attend at a mutually agreed time and date, up to the number of Meetings per year set forth in item 5 of Schedule A attached hereto. The Agent's attendance over and above the number of Meetings specified in item 5 of Schedule A, or

attending at any Meeting of a duration longer than the number of hours specified in item 6 of Schedule A, shall be mutually agreed upon by the parties and the Agent shall be entitled to charge the additional fees shown in Clauses 5.2(b) or 5.2(c) as applicable;

3.20 Other Attendances - To arrange for a representative of the Agent to attend at a mutually agreed time and date to attendances requested by the Strata Council including but not exhaustively information meetings, committee meetings, arbitrations, mediations, court hearings and other attendances requested by the Strata Council;

Strata Council

3.21 Strata Council - To consult and communicate with and advise the Strata Council in regard to the performance of any of the Strata Council's obligations under the Act. The Agent shall act upon the direction of the Strata Council;

Records

3.22 Records - To keep full and detailed records of the transactions of the Strata Corporation;

3.23 Owner/Tenant's Registry - To maintain a registry of all Owners and tenanted strata lots;

3.24 Preparation and Retention - In compliance with section 35 of the Act and at the direction of the Strata Council,

(a) prepare the records required by section 35(1) of the Act;

(b) retain the records required by section 35(2) of the Act, including the owner registry (save and except any of the prescribed documents not provided to the Agent by the Strata Corporation and any other documents listed in Schedule B), if applicable; and

(c) retain the records for such time as required by RESA and section 35(3) of the Act;

3.25 Inspection of Records - In compliance with section 36 of the Act, PIPA and at the direction of the Strata Council, make available for inspection to an Owner the Strata Corporation's documents, accounts and records which the Agent may have and must be produced pursuant to section 36. At the direction of the Strata Council, the Agent may redact records made necessary by the application of PIPA. The Agent shall charge an hourly fee in the amount specified in item 5 of Schedule A for the time spent redacting and supervising the inspection of such records. Any such material shall be made available to any Owner, after first receiving reasonable notice from the owner in accordance with the Act, of their intention to inspect the records at the office of the Agent. Subject to compliance with the Act, electronic records may be retained outside British Columbia or Canada, in which case they may be subject to the laws of the jurisdiction in which such records are located;

3.26 Use and Disclosure of Strata Corporation Information and Personal Information of Owners - Subject to PIPA, collect, use and disclose information respecting the Strata Corporation, including personal information respecting any Owner for any and all purposes related to the management, maintenance and administration of the Strata Corporation, and provide to a third party documentation and information as required by the Act to facilitate the sale of any strata lot;

3.27 Minutes - At the request of the Strata Council, to prepare minutes for meetings at which the Agent is in attendance, and provide the minutes of Strata Council meetings and general meetings of the Strata Corporation pursuant to the terms and conditions of this Agreement and as required by the Act and the Bylaws; 3.28 Correspondence - Subject to payment of a fee by the Strata Corporation based upon limits on the number of communications as noted in Clause 5.2(j) of this Agreement, to receive and respond to all correspondence as directed by the Strata Council;

3.29 Forms - At the direction of the Strata Council, prepare, sign, file and deliver necessary statutory forms, including Form B, F and G certificates, Form H acknowledgements, and Forms I, L, M, N and X. The Agent acknowledges that the Act's regulations restrict the amount that can be charged to the person requesting forms such as Form B's and F's. The Agent shall be entitled to retain the fees and disbursements it charges such Owners, proposed purchasers, lenders, real estate licensees, lawyers or notaries. Due to liability concerns and workload factors, the Agent shall charge the Strata Corporation for preparing, signing, filing and delivering the necessary statutory forms an additional amount as noted in Clause 5.2 of this Agreement;

Bylaws and Rules

3.30 Bylaws and Rules - To familiarize itself with RESA, the Act and the Strata Corporation's Bylaws and Rules;

3.31 Bylaws and Rules Enforcement - To assist with the enforcement of the Bylaws and Rules and, if so directed by the Strata Council, at the expense of the Strata Corporation assist in any action to enforce or stop any breach or infraction of the Bylaws and Rules;

3.32 Fines - At the direction of the Strata Council and expense of the Strata Corporation, to provide section 135 of the Act letters and notices of fines levied by the Strata Council and provide necessary follow up enforcement;

3.33 Liens - At the direction of the Strata Council and expense of the Strata Corporation, to prepare, sign, file and remove section 116 liens against delinquent Owners in accordance with the Act and to provide necessary enforcement. The Agent may charge a fee for the administration involved or the collection of receivables as specified in item 2 of Schedule B and charge back such fee to the Owner;

Insurance

3.34 Property Insurance - To assist the Strata Corporation to place and maintain adequate property, liability, equipment breakdown and other insurance required from time to time and obtain quotes for insurance appraisals. All insurance appraisal costs and premium costs shall be expenses of the Strata Corporation. The Agent shall not be liable for any negligence of any such insurance agent or the insurance appraiser;

3.35 E&O Insurance - Upon the direction of the Strata Council, to assist the Strata Corporation to place and maintain, at the expense of the Strata Corporation, Strata Council Errors & Omissions Insurance;

3.36 Liability Insurance - To assist the Strata Corporation to place and maintain, at the expense of the Strata Corporation, comprehensive general liability insurance having a minimum coverage in the amount of \$2,000,000.00 or such greater amount as may be directed by the Strata Council. Such insurance policy shall list the Agent as an additional insured and shall be applicable to any indemnification of the Agent by the Strata Corporation as required under this Agreement;

3.37 Availability of Insurance - When assisting the Strata Corporation in obtaining insurance, the Agent shall attempt to obtain such insurance on commercially reasonable terms. The Agent shall not be liable if such insurance is not available at all or if it is not available on commercially reasonable terms and the Strata Council elects not to maintain any or all such insurance;

3.38 Agent's Insurance - The Agent shall maintain such insurance for itself as is required by RESA;

Maintenance and Services

3.39 Contractors and Employees - To facilitate the work of contractors, suppliers or employees. Whenever directed by the Strata Council or the Agent deems it advisable or necessary, the Agent shall

hire or discharge contractors, suppliers or employees on behalf of the Strata Corporation. It is agreed and understood that all such employees and independent contractors shall be paid by the Strata Corporation and deemed to be employees and independent contractors of the Strata Corporation and not of the Agent. It is agreed that the Agent shall not be responsible for the acts, defaults or negligence of such employees or independent contractors;

3.40 Contracts - To arrange for contracts in the name of the Strata Corporation, to the extent the Agent's policies permit it to sign such contracts, in respect to the common property and common assets, for electricity, gas, fuel, water, telephone, janitorial services, window cleaning, landscaping, garbage disposal, vermin extermination and other services or such of them as directed by the Strata Council. To monitor and negotiate renewal or replacement of such contracts;

3.41 Supplies - Subject to the limits expressed by the Strata Council, to place orders for and purchase, in the name of the Strata Corporation, all such equipment, tools, appliances, materials and supplies as is necessary to properly equip and maintain the common property and common assets of the Strata Corporation;

3.42 Emergency Services - To use commercially reasonable efforts to maintain a 24-hour emergency contact service such that the Strata Council or Owners can contact the Agent with respect to matters affecting life or property damage. The Strata Corporation acknowledges that such services may not be available in the event of a major regional emergency;

3.43 Limitations on Expenses – The Agent is authorized to spend the Strata Corporation's money without further authorization provided the Agent complies with the provisions of the Act and their fiduciary duties under RESA. For further explanation, the Agent agrees to obtain the approval of the Strata Council to all expenditures in accordance with the Act and the Bylaws, other than: (a) expenses contained in the approved annual budget; (b) recurring operating charges; (c) emergency repairs in excess of the maximum amount established by the Bylaws, if such expenditures are necessary in the opinion of the Agent to protect the common property and common assets of the Strata Corporation from damage or to maintain common services to occupants of any one or more strata lots; or (d) expenditures necessary to ensure safety or prevent significant loss or damage, whether physical or otherwise, pursuant to section 98(3) of the Act;

Proceedings

3.44 Legal Proceedings – To assist in resolving disputes involving the Strata Corporation as directed by the Strata Council, by recourse to the appropriate authority, including legal proceedings, arbitration, mediation, small claims court, human rights tribunal, CRT, internal appeals and residential tenancy disputes;

3.45 Legal Counsel – Any provision in this Agreement allowing the Agent to take legal action on behalf of the Strata Corporation shall mean, where appropriate or required, taking legal action through the Strata Corporation's legal counsel;

3.46 Owner's Defaults - Subject to the direction of the Strata Council, to sign and give notices to Owners of any defaults in any obligations of such Owners to repair or to maintain their strata lots or limited common property in a timely fashion;

3.47 Compliance with Notices or Orders - To notify the Strata Council of any notices or orders of any competent public authority requiring repairs to be done in respect of the common property and common assets, or any part thereof, and to notify the Owners of individual strata lots that they must in a like manner comply with such notices or orders in regard to their own individual strata lots;

3.48 Compliance with Laws - To assist the Strata Council in taking such action on behalf of the Strata Corporation as the Strata Council may direct, in order for the Strata Corporation to comply promptly

with any and all orders or requirements affecting the Strata Corporation made by any governmental body or agency having authority or orders of any Fire Marshall, or board of fire underwriters or similar body;

Other

3.49 Fees, Rebates or Discounts - Not to collect or charge any undisclosed fee, rebate or discount, and if any such fee, rebate or discount should be received by the Agent that fee, rebate or discount will be held in trust for and credited to the account of the Strata Corporation.

Agent's Authorization

4. The Agent shall be deemed the agent of the Strata Corporation and to enable the Agent to effectively perform its services under this Agreement the Strata Corporation hereby appoints the Agent as its agent to perform the services provided for in this Agreement and as directed by the Strata Council.

Strata Corporation's Agreement

5. The Strata Corporation covenants and agrees:

5.1 Indemnity - To save the Agent harmless from any and all claims, damages, costs and liability incurred in connection with the services provided to the Strata Corporation and, without limiting the generality of the foregoing, to indemnify and save the Agent harmless from all claims, damages, costs and liability whatsoever incurred by the Agent in performing its responsibilities hereunder and to protect the Agent against any and all such claims, damages, costs, and liability in the same manner and to the same extent as the Strata Corporation, unless such claim, damage, cost or liability is caused by the gross negligence or wilful misconduct of the Agent;

5.1(a) That the Agent may receive from persons or parties, other than the Strata Corporation, without further specific disclosure, invitations as disclosed in Schedule C to this Agreement.

5.2 Agent's Fees - To pay to the Agent the following fees:

(a) a fee in advance each and every month during the term of this Agreement, in the amount and on the day specified in item 8 of Schedule A;

(b) an additional fee in the amount specified in item 9 of Schedule A, for each additional Meeting over the number specified in Clause 3.19 and item 5 of Schedule A;

(c) an additional hourly fee in the amount specified in item 10 of Schedule A, for each hour of attendance at any Meeting longer than the hours specified in Clause 3.19 and item 6 of Schedule A;

(d) an additional hourly fee specified in item 11 of Schedule A for attending information meetings, committee meetings, arbitrations, mediations, court hearings, or other attendances requested by the Strata Council;

(e) an additional fee specified in item 12 of Schedule A for assisting with litigation or other methods of dispute resolution involving the Strata Corporation including CRT matters;

(f) an additional fee specified in Schedule B for special projects and/or major renovations, as determined by the size and nature of the special project and/or major renovations;

- (g) an additional fee in the amount specified in item 13 of Schedule A, per strata lot for each month of depositing and processing of special levies, including the refund of a special levy pursuant to section 108 (5) or the distribution of operating funds from other sources;
- (h) an additional fee in the amount specified in item 14 of Schedule A, per strata lot for each month that the strata fees need to be adjusted due to the timing of the passing of the budget and the occurrence of the fiscal year end;
- (i) an additional hourly fee in the amount specified in item 7 of Schedule A for the time spent redacting and supervising the inspection of section 35 of the Act records;
- (j) an additional fee for preparation and receipt of correspondence, including exchanges of emails, that are in excess of the number specified in Schedule B;
- (k) an additional fee for preparing, signing, filing and delivering necessary statutory forms requested by a third party in the amount specified in item 15 of Schedule A;
- (l) an additional hourly fee in the amount specified in item 16 of Schedule A for assisting the Strata Corporation in any redevelopment, including but not exhaustively, cancellation of the Strata Corporation. The Strata Corporation acknowledges that such assistance might include, but not exhaustively, meetings with realtors, meetings with potential developers, meetings with lawyers, meetings with liquidators, arranging general meetings and information meetings of the Strata Corporation, swearing affidavits and attending court hearings;
- (m) an amount or amounts that reimburse the Agent for all expenses incurred by the Agent on behalf of the Strata Corporation including, but not exhaustively, legal fees incurred in order to protect the Strata Corporation or the Agent in carrying out the services noted in this Agreement;
- (n) an additional fee for preparing and delivering correspondence unrelated to instructions from the Strata Council including, but not exhaustively, energy rebate applications, rental applications and letters to a municipal or regulatory authority to assist with the retrieving of records for renovations, in the amount specified in item 17 of Schedule A;
- (o) such additional fees as are provided for in Schedule B, or as may be agreed upon in writing from time to time;
- (p) together with any applicable Tax payable on such fees or related disbursements.

5.3 Payment of Agent's Fees - The Strata Corporation hereby authorises the Agent to deduct the Agent's fees and disbursements from the strata fees, special levies, user fees and any other monies collected by the Agent pursuant to Clause 3;

5.4 Adjustment of Strata Fees for Fiscal Year - The Strata Corporation agrees that strata fees will be adjusted as applicable to the commencement of the fiscal year of the Strata Corporation when the Owners approve a budget that amends the fee schedule after the fiscal year end of the Strata Corporation.

5.5 Shortfall - If the bills, accounts or expenses paid by the Agent pursuant to this Agreement in any calendar month exceed the strata fees and other monies collected in such month by the Agent, or if the Strata Corporation does not otherwise have sufficient funds to pay such bills, accounts or expenses, the Strata Corporation shall pay the Agent the amount of such excess promptly upon request. This payment may include a transfer of funds from the Contingency Reserve Fund where permitted under the Act. The Agent shall have no obligation to advance funds to the Strata Corporation for any purpose whatsoever;

5.6 Costs - To pay promptly the Agent's costs of printing, duplicating, mailing, postage, long distance telephone charges, courier or other service charges directly attributed to the Strata Corporation as per the attached item 6 of Schedule B attached hereto;

5.7 Transfer Documentation - To direct and compensate the Agent in accordance with the Act for all transfer of title and ancillary documents for owners;

5.8 Third Party Fees - Despite and in addition to Clause 21 of this Agreement and in compliance with Rules 5-7 through 5-12 under the RESA, when providing administrative services that include, but not exhaustively, preparing and issuing statutory and regulatory forms and certificates, returning cheques (such as NSF) and making photocopies and complying with requests for extraordinary services (such as rush or top priority requests) when requested or required, the Agent may collect from the person making the request a fee in the amount as permitted by the Act or otherwise. This disclosure confirms the authority from the Strata Corporation to collect such amounts on behalf of the Strata Corporation and retain such amounts as remuneration to the Agent. The Agent may use a third-party service provider for the delivery of such statutory forms as Form B and Form F and any attached documents to those forms in compliance with the regulations of the Act, provided that there is no additional charge to the Strata Corporation for doing so.

5.9 Exclusivity - That the Strata Corporation, during the term of this Agreement and for two (2) years after its termination, will not engage or contract directly or indirectly with any present or past employee of the Agent, to perform services the same as or similar to the services the employee performed for the Agent, unless agreed to in writing by the Agent;

5.10 Documentation - To provide the Agent with all documents and records available to the Strata Corporation, which may be reasonably required by the Agent to properly assist in connection with the services provided by the Agent to the Strata Corporation;

5.11 Bylaws and Rules – To provide to the Agent a copy of the Bylaws and Rules of the Strata Corporation and to promptly notify the Agent of any amendments or additions thereto;

5.12 Existing Project - Where the Agent is assuming its role from a prior strata agent or from a self-managed building, the Agent shall not be responsible for errors, missing or inaccurate information in the records, information or materials of the prior agent or the self-managed building provided to the Agent, or for any consequential errors, missing or inaccurate information in the records or materials maintained by the Agent. The Agent is not responsible for the past financial affairs of the Strata Corporation, including matters relating to the status of any employee or contractor of the Strata Corporation;

5.13 Hazardous Material - The Agent is in not responsible for the identification, control, management, treatment or remediation of any contaminant or hazardous material including, without limiting the generality of the foregoing, any asbestos, lead or silica containing materials. In the event that any contaminant or hazardous material is found within the Strata Corporation, the Strata Corporation shall undertake to address the identification, control, treatment and remediation of any such contaminant on an expedited basis without relying in any way on the Agent for such identification, control, treatment or remediation;

5.14 Worksafe BC - The Agent and its licensees are not the owner of the Strata Corporation nor the primary employer of the Strata Corporation's vendors or contractors and further to the instructions of the Real Estate Council of BC that licensees not work outside of their direct area of expertise. The Strata Corporation acknowledges that the Agent is not an expert in WorkSafe BC legislation and that the Agent has not agreed for any purpose in being named as either the owner of the Strata Corporation, the employer of the Strata Corporation's vendors and contractors or the prime contractor for a workplace.

5.15 Owner/Council Conduct – Occasionally when managing a strata corporation the Agent and its licensees are subject to bullying and verbal abuse from owners and strata council members, in Meetings and communications. The Strata Council acknowledges the possibility of the Agent being bullied and verbally abused. The Strata Council agrees its members will discourage such conduct and support the Agent if it does occur. The Strata Council further agrees that if such conduct (in the sole determination of the Agent) does occur, the Agent is entitled to discontinue the Agent's involvement in a Meeting or as a participant in continued communications, as the case may be.

No Set-Off

6. That the Strata Corporation shall not be entitled to set off any uncollected strata fees, special levies or user fees or other monies owed the Strata Corporation against the Agent's Fees or any other monies payable to the Agent under this Agreement, any uncollected strata fees, special levies or user fees or other monies owed the Strata Corporation.

Agent to Receive Instructions from Strata Council

7. The Strata Corporation hereby authorizes its Strata Council to deal with the Agent. It is agreed and understood that the Agent at all times shall be entitled to rely on and to act upon the instructions or directions received from the Strata Council, and where appropriate or circumstances require, the President or other members of the Strata Council. Without limiting the generality of the foregoing, the Agent may from time to time request instructions or directions in writing signed on behalf of the Strata Corporation by at least two members of the Strata Council, or a formal resolution of the Strata Council after a properly convened meeting of the Strata Council. The Agent shall, upon receipt of written authorization, act upon the resolutions of the Strata Council. The foregoing shall constitute the full and sufficient authority for the Agent to act in accordance with such instruction or directions. The Strata Council agrees to provide prompt responses to requests from the Agent for directions, instructions and information. The Agent's interpretation of the Act is a guide and shall not be regarded as legal advice. The Agent shall advise the Strata Council of generally accepted practices throughout the strata agency industry;

Financial Statements

8. The Strata Council agrees to review each statement of receipts and disbursements referred to in Clause 3.8, and within thirty (30) days from the date of provision of such statements to the Strata Council, to notify the Agent, in writing, of any alleged mistake or error on the part of the Agent in paying any bill, account or expense on behalf of the Strata Corporation. If the Agent receives no such notification within thirty (30) days of provision of such statements to the Strata Council, the statement shall be deemed to be conclusive and binding and the Agent shall be free from any and all claims in respect of such statement.

Assignment by Agent

9. The Agent may assign all of its interest in this Agreement and its rights hereunder to any other strata property brokerage, provided such assignee is a licensed strata property agent and covenants with the Strata Corporation to observe and perform the obligations of the Agent under this Agreement.

No Waiver

10. If a party to this Agreement breaches or defaults in its performance under this Agreement and the other party, expressly or implied, waives such default that waiver shall not be deemed or construed to be a waiver to any future breach or default in the performance of such defaulting party's obligations under this Agreement.

Severance

11. In the event that any provision of this Agreement, or any part thereof, shall be found to be invalid, the remainder of this Agreement shall be binding on the parties and shall be construed such that the invalid provision or part thereof had been deleted from this Agreement.

Successors and Assigns

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

Amendments in Writing

13. Any amendment to this Agreement shall be effective only if it is in writing and is duly signed by the parties.

Duration and Termination

14. This Agreement shall commence and become effective on the date set forth in item 1 of Schedule A, and shall continue for an indefinite term until terminated in accordance with this Clause. This Agreement shall terminate upon the occurrence of any of the following events:

- (a) Two months after receipt by the Agent of a notice of a resolution passed by a $\frac{3}{4}$ vote approved by the Owners, terminating this Agreement;
- (b) Two months after receipt by the Strata Corporation of a notice from the Agent, terminating this Agreement;
- (c) Immediately, through the bankruptcy of the Agent; or
- (d) Immediately, through the insolvency or fraud of the Agent.

After Termination

15. Upon the termination of this Agreement, all obligations of the Agent shall cease except as otherwise expressly provided in RESA, and the Strata Corporation shall pay to the Agent any monies due to it under this Agreement and the Agent shall pay to the Strata Corporation all monies held by it in trust for the Strata Corporation. The Agent shall transfer all records maintained for the Strata Corporation to the Strata Corporation or its agent as may be directed by the Strata Council, upon payment of any outstanding fees to the Agent or as required by RESA. The Agent shall be entitled to retain the original financial records for such period as is required for the Agent to comply with RESA, but the Agent shall provide the Strata Corporation with copies of the financial records, at the Strata Corporation's expense as provided in Schedule B.

Holdback

16. Upon termination of this Agreement, the Strata Corporation shall continue to be responsible for the payment of any and all bills, accounts, and expenses incurred by the Agent within the authority of this Agreement to be paid by the Agent after such termination. The Agent shall be entitled to retain, for thirty (30) days after the date of such termination, a holdback of the monies (the "Holdback") to pay such bills, accounts and expenses or any of them. If a Holdback is not retained by the Agent or is insufficient, the Strata Corporation agrees to reimburse the Agent promptly upon demand for any and all such bills, accounts and expenses paid by the Agent after the termination of this Agreement.

No Partnership

17. The relationship of the Agent to the Strata Corporation shall be that of agent and principal and this Agreement shall not under any circumstances make the Agent or any of its employees, officers or authorized representatives, to be the legal representative, partner or employee of the Strata Corporation.

Personal Information

18. The Strata Corporation consents to the collection, use and disclosure by the Agent of information about the Strata Corporation and personal information about the Owners, for all purposes consistent with the matters contemplated in this Agreement.

Disclosure of Conflicts

19. If at any time, the Agent determines it is in a conflict of interest with the Strata Corporation, the Agent shall give written notice of such conflict to the Strata Council as soon as reasonably possible. The Strata Corporation hereby acknowledges and consents to the Agent acting for other strata corporations, and sections and owners within such strata corporations.

Disclosure of Payments

20. If at any time, the Agent anticipates receiving or receives, directly or indirectly, any form of payment or other compensation from an Owner or someone other than the Strata Corporation as a result of recommending an insurance broker, or any other person providing other products or services, the Agent shall disclose the details thereof to the Strata Corporation in writing, including the source of such payments, the amount or likely amount of the payment and all other relevant facts relating to such provision of real estate services.

Charges for Documents

21. The Agent, without further specific disclosure to the Strata Corporation, shall be entitled to charge and retain fees (which fees may include a disbursement component) for the following

(a) the provision of Form B (and all attachments) and Form F and other statutory form as required by the *Strata Property Act*;

(b) the provision of copies of minutes, Bylaws, Rules, strata plans, engineering reports, financial statements and similar documents of the Strata Corporation when requested by Owners (other than the original distribution of same) or any other person authorized to receive such documents; and any and all priority fees charged for the priority provision of such documents in accordance with the fees specified in the attached Schedules.

The Strata Corporation and Owners

22. The Strata Corporation hereby consents to the Agent providing property rental services or trading services to an individual Owner. The Agent shall enter into separate service agreements with each individual Owner, and will advise the Strata Corporation in writing when it commences acting for any individual Owner.

Primary Client and Secondary Client

23. The Agent hereby declares that the Agent's "primary client" is as specified in item 7 of Schedule B (the "Primary Client") and the "secondary client" is as specified in item 7 of Schedule B (the "Secondary Client" or "Secondary Clients"). In the event of a conflict, the Agent will provide the full services it has contracted to provide to the Primary Client and the Agent shall provide limited representation to the Secondary Client or Secondary Clients.

Conflict with an Owner

24. If the Agent is providing property rental services or trading services to an individual Owner, there may be conflicts as between such an Owner and, the Strata Corporation. If the Strata Corporation is declared to be the Agent's Primary Client, the Agent will provide full representation to the Primary Client and the Agent shall provide limited representation to the Owner.

Limited Services to Secondary Client

25. In the event of a conflict where the Agent continues to act for the Agent's Primary Client and ceases to act for the Secondary Client with respect to the matter giving rise to the conflict, the Agent will not be able to:

- (a) act in the Secondary Client's best interests, if those interests conflict with the interests of a Primary Client;
- (b) act in accordance with the Secondary Client's instructions, if acting in accordance with those instructions would lead the Agent to breach any of the Agent's obligations to a Primary Client;
- (c) maintain the confidentiality of information about the Secondary Client; or
- d) disclose to the Secondary Client's any confidential information about the Primary Client.

Annual Review Fee

26. Annually, the parties shall review the fees and other charges payable under this Agreement. Any such change in fees or charges, shall be agreed to between the parties and shall be evidenced in writing which may include a formal fee amendment agreement or a letter from the Agent to the Strata Corporation setting out such agreed changes in the fees and charges signed by the Agent and two members of the Strata Council.

EXECUTED ON BEHALF OF

EXECUTED ON BEHALF OF

by its' authorized signatories:

by its' authorized signatories:

Authorized Signatory:

Authorized Signatory:

Authorized Signatory:

Authorized Signatory:

SCHEDULE A

- 1. Clause 2 Commencement Date: _____
- 2. Clause 3.9 Fee for providing miscellaneous accounting functions: \$_____
- 3. Clause 3.12 Fee for providing payroll services: \$_____
- 4. Clause 3.14 and 3.15 The Agent shall maintain the following trust accounts on behalf of the Strata Corporation (check if applicable):
 - Operating fund trust account
 - Contingency reserve trust account
 - Special levy trust account
 - Other: _____
- 5. Clause 3.19 Maximum Number of Meetings: _____
- 6. Clause 3.19 Maximum Hours per Meeting: _____
- 7. Clause 3.22 Hourly fee for redacting and supervising inspection of records:
\$_____
- 8. Clause 5.2(a) Monthly Agents' Fee: \$_____ payable on the first day of each month
- 9. Clause 5.2(b) An additional fee for each Meeting over the maximum number:
\$_____
- 10. Clause 5.2(c) Hourly rate for attendance at each Meeting over specified number of hours:
\$_____ (plus Tax)
- 11. Clause 5.2(d) An additional fee of \$_____ per hour for attending information meetings, committee meetings, arbitrations, mediations, court hearings and other attendances requested by the Strata Council
- 12. Clause 5.2(e) An additional fee of \$_____ per hour for assisting with litigation and other methods of dispute resolution including CRT matters
- 13. Clause 5.2(g) An additional fee of \$_____ per strata lot for each month of depositing and processing of special levies, including the refund of a special levy pursuant to section 108 (5) or the distribution of operating funds from other sources (with a minimum fee of \$_____)
- 14. Clause 5.2(h) An additional fee of \$_____ per strata lot for each month that the strata fees need to be adjusted due to the timing of the passing of the budget and the occurrence of the fiscal year end

15. Clause 5.2(k) An additional fee of \$_____ per hour for preparing, signing, filing and delivering necessary statutory forms requested by a third party
16. Clause 5.2(l) An additional fee of \$_____ per hour for assisting the Strata Corporation in any redevelopment, including but not exhaustively, the cancellation of the Strata Corporation
17. Clause 5.2(n) An additional fee of \$_____ per hour for preparing and delivering correspondence unrelated to instructions from the Strata Council

SCHEDULE B

Special Terms and Amendments

- 1. Clause 3.16 Annual fee for the statutory review of books: \$ _____
- 2. Clause 3.33 Fee for administration of liened receivables: \$ _____
- 3. Additional fees:
 - (a) Clause 5.2(j); Preparation and receipt of correspondence, including but not limited to exchanges of em that number in excess of \$ _____ per month
 - (b) Clause 5.2(f): Special Projects: _____
Major Renovations: _____
 - (c) Clause 3.17: Supervising Independent Audits and Review Engagements: _____
 - (d) Clause 5.2(o): Other: _____
- 4. Clause 5.6
 - Mailing Costs: \$ _____
 - Long Distance Phone Charges: \$ _____
 - Courier Costs: \$ _____
 - Other Service Charges: \$ _____
 - Storage/Retrieval Charges: \$ _____
- 5. Clause 15 Cost of duplication: \$ _____ per page
- 6. Special Terms:

SCHEDULE B

Special Charges and Representations

1. Clause 5.1(a) The Agent may receive from persons or parties, other than the Strata Corporation, without further specific disclosure, invitations that include, but not exhaustively, sporting matches, golf games, lunches, dinners, and other similar business development ventures;

2. Clause 21 The Agent may receive an additional fee paid by a third party for preparing, signing, filing and delivering necessary statutory forms requested by that third party