

Dear client:

This letter is to confirm our understanding of the terms of our engagement and the nature and limitations of the services that we provide.

Responsibilities

The client is responsible for the reliability, accuracy and completeness of the accounting records, particulars and information provided and disclosure of all material and relevant information. Clients are required to arrange for reasonable access by us to relevant individuals and documents, and the client is responsible to supply the information in a timely manner. Any advice given to the client is only an opinion based on our knowledge of the client's particular circumstances.

The taxpayer is responsible to keep full and proper records in order to facilitate the preparation of a correct return.

The taxpayer is responsible to keep full and proper records for a period of seven years subsequent to the work being performed

This engagement does not include the preparation of financial statements or tax returns. Should you require such services, a separate engagement will be required.

Services Provided

We will complete the service(s) listed below, based on information provided to us. The services provided under this engagement are not designed to detect fraud or error unless specifically stated to be such.

Preparation of form UHT-2900 Underused Housing tax return and election form

Indemnity

I/we hereby agrees to indemnify, defend (by counsel retained and instructed by us) and hold harmless our firm (and its principals, agents or employees) from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of (or in consequence of):

- i) The breach by the entity/individual, or its or its directors, officers, agents or employees, of any of the covenants made by your company herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, our engagement report or the financial statements in reference to which the engagement report is issued, or any other work product made available to you by our firm.
- ii) A misrepresentation by a member of your management or board of directors.

Limitation of Liability

Our aggregate liability for all claims, losses, liabilities and damages in connection with this engagement, whether as a result of breach of contract, tort (including negligence), or otherwise, regardless of the theory of liability, is limited to our professional fees charged.

Fee Structure

Our professional fees will be based on our regular billing rates, plus direct out-of-pocket expenses and applicable taxes, and are due when rendered. Fees for any additional services not listed in this engagement letter will be established separately.

When our fees and costs are billed, they are payable upon receipt. Invoices unpaid 30 days past the billing date may be deemed delinquent, and are subject to an interest charge of 1.0% per month. We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed delinquent.

We reserve the right to assign unpaid invoices to a third party collections agency. In the event that any collection action is required to collect unpaid balances due to us, you agree to reimburse us for our costs of collection, including lawyers' fees and third party collection fees.

Confidentiality Clause

One of the underlying principles of the profession is a duty of confidentiality with respect to client affairs. Each professional accountant must preserve the secrecy of all confidential information that becomes known during the practice of the profession. Accordingly, we will not provide any third party with confidential information concerning your affairs unless:

- iii) We have been specifically authorized with prior consent;
- iv) We have been ordered or expressly authorized by law or by the Code of Professional Conduct; or
- v) The information requested is (or enters into) public domain.

Ownership

The working papers, files, other materials, reports and work created, developed or performed by us during the course of the Engagement are the property of our firm, constitute confidential information and will be retained by us in accordance with our firm's policies and procedures.

During the course of our work, we may provide, for your own use, certain software, spreadsheets and other intellectual property to assist with the provision of our services. Such software, spreadsheets and other intellectual property must not be copied, distributed or used for any other purpose. We also do not provide any warranties in relation to these items and will not be liable for any lost or corrupted data or other damage or loss suffered or incurred by you in connection with your use of them.

We retain the copyright and all intellectual property rights in any original materials provided to you.

Communication

In performing our services, we will send messages and documents electronically. As such communications can be intercepted, misdirected, infected by a virus, or otherwise used or communicated by an unintended third party, we cannot guarantee or warrant that communications from us will be properly delivered only to the addressee. Therefore, we specifically disclaim, and you release us from, any liability or responsibility whatsoever for interception or unintentional disclosure of communications transmitted by us in connection with the performance of this Engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from such communications, including any that are consequential, incidental, direct, indirect, punitive, exemplary or special damages (such as loss of data, revenues or anticipated profits).

I(We), the undersigned indemnitor(s) of the entity , jointly and severally agree to indemnify Fulcrum Group Chartered Professional Accountants for any and all indebtedness of the entity in respect of or arising out of any non-performance or non-fulfillment of any covenant or agreement on the part of the entity contained in this Engagement Agreement. The indemnitors acknowledge that their obligations to Fulcrum Group Chartered Professional Accountants under this indemnity are direct and not conditional upon the default by the entity . The obligations of the indemnitors shall survive the closing of the transaction contemplated in this Engagement Agreement until the indebtedness is repaid in full.

If you have any question about the contents of this letter, please feel free to contact our office. If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign the copy of the this letter in the space provided and return to us at your earliest convenience.

We appreciate the opportunity of continuing to be of service to you.

Yours truly,

FULCRUM GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS



Acknowledged and agreed upon by:

Client signature

Client name

Date