

THIRD AMENDMENT AGREEMENT

BETWEEN:

The Agency for Co-operative Housing
(referred to in this Agreement as "the Agency")

-and-

Canada Mortgage and Housing Corporation
(referred to in this Agreement as "CMHC")

BACKGROUND

- A. The Agency and CMHC are parties to an agreement dated May 3, 2005, as amended by a first amending agreement made effective as of June 30, 2005 (the "First Amending Agreement") and a second amending agreement made effective as of April 30, 2010 (the "Second Amending Agreement"). For purposes of this amending agreement (the "Third Amending Agreement"), the existing arrangement between CMHC, as modified by the First and Second Amending Agreements, is hereinafter referred to as "the Agreement".
- B. The purpose of the Agreement is to provide for the administration of certain portfolio management activities in relation to federal co-operative housing programs administered by CMHC under the *National Housing Act*, and as specified in the Agreement.
- C. CMHC and the Agency wish to execute this Third Amending Agreement in order to confirm their mutual agreement with respect to
 - i. the accounting principles and auditing standards applicable to the Agency;
 - ii. a revised deadline for submission to CMHC by the Agency of its annual review of the performance of the Portfolio; and
 - iii. the acceptance by the Agency of all risk and responsibility in relation to all Services it provides under the Agreement.

In consideration of the above premises and the mutual agreement set out below, the Agency and CMHC agree as follows:

1. The Agreement remains in full force and effect except as expressly modified by this Third Amending Agreement.
2. The Agreement is amended by modifying Section 23 to read as follows:

"23. The Service Provider will follow Canadian Accounting Standards for Not-For-Profit Organizations and will otherwise distinguish in its books of account among initial operating costs, start-up costs, capital costs and continuing operating costs."

3. The Agreement is amended by modifying Section 33 as follows:

"33. Annually, within four (4) months after the end of the Service Provider's fiscal year, the Service Provider will provide CMHC with

~~a. an annual review of the performance of the Portfolio against the objectives and performance standards specified in Schedule 'D';~~

~~a.b.~~ a report of the Service Provider's chief executive officer on the operations of the Service Provider, its performance of the Services, complaints received from program clients and how those complaints were resolved, the Service Provider's performance against its established client-service standards and its compliance with this Agreement;

~~b.e.~~ its audited financial statement, together with the auditor's report thereon and the auditor's management letter to the Service Provider; and

~~c.d.~~ an independently audited report on the Service Provider's compliance with this Agreement in the completed fiscal year.;

33.1 Annually, within six (6) months after the end of the Service Provider's fiscal year, the Service Provider will provide CMHC with an annual review of the performance of the Portfolio against the objectives and performance standards specified in Schedule 'D'

4. The Agreement is amended by adding after Section 93 the following:

"INDEMNIFICATION

94. The Service Provider shall indemnify and save CMHC, its affiliates, divisions, subsidiaries, predecessors, agents, servants, personnel, employees, officers, members and directors and their respective successors, assigns and estates harmless of and from any claims, demands, actions, causes of action of every kind,

known or unknown, costs, expenses, damages or liabilities arising from the performance by the Agency of any and all Services performed at any time under this Agreement.”

5. The Services Agreement is amended by deleting section 69 (“Survival”), and replacing it with the following:

“SURVIVAL

The provisions of Sections 12-13, 16, 24, 27, 28, 29, 38, 40, 41, 53, 65, 67, 68 and 94 shall survive termination or expiration of this Agreement together with such other provisions of this Agreement (including its schedules) which expressly or by their nature survive termination or expiration.”

This Third Amending Agreement is executed by the Parties by their duly authorized representatives:

CANADA MORTGAGE AND HOUSING CORPORATION

Per

Douglas A. Stewart

Date

30/12/2013

THE AGENCY FOR CO-OPERATIVE HOUSING

Per

W. David White

Date

December 18, 2013