

## **Calhome Properties Ltd.** 2017 Audit service plan

For the year ending December 31, 2017  
Presented to the Audit and Risk Management Committee  
November 17, 2017

November 9, 2017

To the Audit and Risk Management Committee of  
Calhome Properties Ltd.

## **2017 Audit service plan**

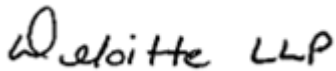
Dear Audit and Risk Management Committee members:

We are pleased to provide you with our audit service plan for Calhome Properties Ltd. (Operating as Calgary Housing Company) ("Calhome") for the year ending December 31, 2017. This document describes the key features of our plan including our audit scope and approach, our planned communications with you and an estimate of our fees.

Our commitment to you is straightforward: we will provide you with outstanding professional services delivered by an experienced and dedicated team of specialists. Our professionals will continue providing you with best practices and insights to face the increasingly complex array of issues and challenges encountered by organizations like Calhome.

We look forward to discussing our audit service plan with you and answering any questions you may have.

Yours truly,



Chartered Professional Accountants

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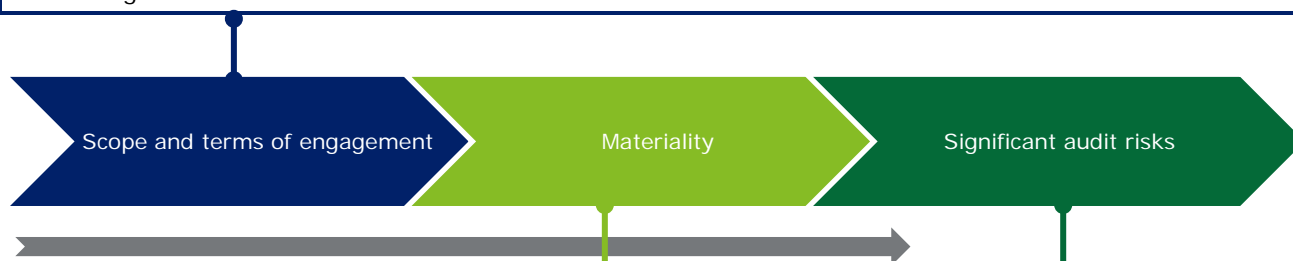
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# Our audit explained

## Audit scope and terms of engagement

We have been asked to perform an audit of Calhome's financial statements (the "financial statements") in accordance with Canadian public sector accounting standards ("PSAS") as at and for the year ending December 31, 2017. Our audit will be conducted in accordance with Canadian generally accepted auditing standards ("GAAS").

The terms and conditions of our engagement are described in the draft engagement letter, which is included in Appendix 5. Our engagement letter should be signed on behalf of the Audit and Risk Management Committee and management.



## Materiality

We are responsible for providing reasonable assurance that your financial statements as a whole are free from material misstatement.

Materiality levels are determined on the basis of budgeted operating expenditures. Our preliminary estimate of materiality for the year ending December 31, 2017 has been set at \$2,600,000 (2016, \$2,400,000).

We will inform the Audit and Risk Management Committee of all uncorrected misstatements greater than a clearly trivial amount of 5% of materiality and any misstatements that are, in our judgment, qualitatively material. In accordance with Canadian GAAS, we will ask that any misstatements be corrected.

## Significant audit risks

Through our preliminary risk assessment process, we have identified the significant audit risks. These risks of material misstatement and related audit responses are discussed in the Significant audit risks section of this report.

**Fraud risk**

We will develop our audit strategy to address the assessed risks of material misstatement due to fraud. Determining this strategy will involve:

1. Asking those involved in the financial reporting process about inappropriate or unusual activity.
2. Testing a sample of journal entries throughout the period as well as adjustments made at the end of the reporting period.
3. Identifying and obtaining an understanding of the business rationale for significant or unusual transactions that are outside the normal course of business.
4. Evaluating whether your accounting policies may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
5. Evaluating whether the judgements and decisions related to management estimates indicate a possible bias.
6. Incorporating an element of unpredictability in selecting our audit procedures.

We will also ask the Audit and Risk Management Committee for their views about the risk of fraud, whether they know of any actual or suspected fraud affecting Calhome and their role in the oversight of management's antifraud programs.

If we suspect fraud involving management, we will immediately inform the Audit and Risk Management Committee of our suspicions and discuss the nature, timing, and extent of audit procedures necessary to complete the audit.

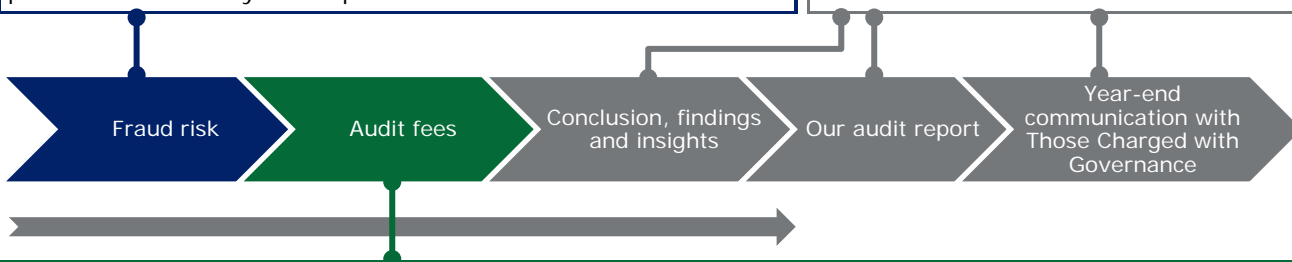
**Complete engagement reporting****Audit reporting**

Under Canadian GAAS, we are required to communicate certain matters to the Audit and Risk Management Committee. The primary reports and formal communications through which we will address these matters are:

- This Audit Service Plan;
- Year End Communication; and
- Our Auditor's Report on the financial statements.

**Business Insights**

We will provide you with insights into the condition of your business and offer meaningful suggestions for improvement, if applicable.

**Audit fees**

We propose audit fees of \$76,500 (2016 \$74,620).

In addition to conducting the 2017 audit of the financial statements we will also perform specified procedures relating to special government reports. The fee associated with these reports will be \$3,500 per report (2016, \$3,400 per report).

These fees exclude the 7% administration fee and GST.

# Significant audit risks

During our risk assessment, we identified some significant audit risks that will require special audit consideration. These risks, together with our planned responses, are described below.

## Revenue recognition

### Audit risk

Assurance standards include the presumption of a fraud risk involving improper revenue recognition. There may be a risk of material misstatement relating to the occurrence and cut off of the following revenue streams: rent revenue, shared cost agreements and rent supplement.

### Our proposed audit response

- We will perform substantive testing of revenue transactions to ensure that occurrence and cut-off have been appropriately accounted for the year ended December 31, 2017.
- We will make inquiries of management and test control activities involving management's process for accounting for revenue transactions and determining when the revenue recognition criteria have been met.

## Management override of controls

### Audit risk

Assurance standards include the presumption of a significant risk of management override of controls. Management may be in a unique position to perpetrate fraud because of management's ability to directly or indirectly manipulate accounting records and prepare fraudulent Financial Statements by overriding controls that otherwise appear to be operating effectively.

### Our proposed audit response

- We will engage in periodic fraud discussions with certain members of senior management and others within Calhome's Audit and Risk Management Committee.
- We will consider the potential for bias in judgments and estimates, including performing retrospective analysis of significant accounting estimates.
- We will evaluate the business rationale for any significant unusual transactions.
- We will evaluate Calhome's fraud risk assessment and consider entity-level internal controls and internal controls over the closing and reporting process.
- We will test journal entries that exhibit characteristics of possible management override of controls identified.

As we perform our audit procedures, we will inform you of any significant changes to the significant risks discussed above and the reasons for those changes.

# Appendix 1 – Audit approach

Deloitte's audit approach is a systematic methodology that enables us to tailor our audit scope and plan to address the unique issues facing Calhome.

The following steps are not necessarily sequential nor are they mutually exclusive. For example, once we have developed our audit plan and the audit is being performed, we may become aware of a risk that was not identified during the planning phase. Based on that new information, we would reassess our planning activities and adjust the audit plan accordingly.

## 1. Initial planning

The Deloitte audit approach begins with an extensive planning process that includes:

- Assessing your current business and operating conditions;
- Understanding the composition and structure of your business and organization;
- Understanding your accounting processes and internal controls;
- Understanding your information technology systems;
- Identifying potential engagement risks; and
- Planning the scope and timing of internal control and substantive testing that take into account the specific identified engagement risks.

## 2. Assessing and responding to engagement risk

Our audit approach combines an ongoing identification of risks with the flexibility to adjust our approach when additional risks are identified. Since these risks may impact our audit objectives, we consider materiality in our planning to focus on those risks that could be significant to your financial reporting.

### Consideration of the risk of fraud

When we identify a misstatement or control deficiency, we consider whether it may be indicative of fraud and what the implications of fraud and significant error are in relation to other aspects of the audit, particularly the reliability of management representations.

In determining our audit strategy to address the assessed risks of material misstatement due to fraud, we will:

- Assign and supervise personnel, taking into account the knowledge, skill and ability of individuals with significant engagement responsibilities and our assessment of the risks of material misstatement due to fraud for the engagement.
- Evaluate whether Calhome's selection and application of accounting policies, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- Incorporate an element of unpredictability when selecting the nature, timing and extent of our audit procedures.

We will inquire directly of the Audit and Risk Management Committee regarding:

- Its views about the risk of fraud;
- Whether it has knowledge of any actual or suspected fraud affecting Calhome; and
- The role it exercises in the oversight of fraud risk assessment and the establishment of mitigating controls.

We will also inquire if the Audit and Risk Management Committee is aware of tips or complaints regarding Calhome's financial reporting and, if so, the Audit and Risk Management Committee's responses to such tips and complaints and whether it is aware of matters relevant to the audit, including, but not limited to, violations or possible violations of laws or regulations.

If we suspect fraud involving management, we will communicate these suspicions to the Audit and Risk Management Committee and discuss the nature, timing, and extent of audit procedures necessary to complete the audit.

### **Information technology**

An important part of our audit planning process involves gaining an understanding of:

1. The importance of the computer environment relative to the risks to financial reporting;
2. The way in which that environment supports the control procedures we intend to rely on when conducting our audit; and
3. The computer-based information that supports our substantive procedures.

The objective of our review of computer controls is to identify potential areas of risk and assess the relevance, reliability, accuracy and completeness of the data produced by the systems. We also assess the operating effectiveness of the computer environment and determine the reliability of the financial information used to generate the financial statements. To accomplish this, we gain an up-to-date understanding of your organization's computer processing environment and our understanding of the relevant general computer controls. We then conduct tests to support our conclusion on the operating effectiveness of controls considered relevant to the audit.

### **3. Developing and executing the audit plan**

The performance of an audit includes evaluating the design and determining the implementation of internal controls relevant to the audit, testing the operational effectiveness of the controls we intend to rely on, and performing substantive audit procedures.

### **Audit procedures**

The timing of our audit procedures is dependent upon a number of factors including the need to coordinate with management for the provision of supporting analysis and other documentation. Generally, we perform our audit procedures to allow us sufficient time to identify significant issues early, thereby allowing more time for analysis and resolution.

### **Tests of controls**

As part of our audit, we will review and evaluate certain aspects of the systems of internal control over financial reporting to the extent we consider necessary in accordance with Canadian GAAS. The main objective of our review is to enable us to determine the nature, extent and timing of our audit tests and establish the degree of reliance that we can place on selected controls. An audit of the financial statements is not designed to determine whether internal controls were adequate for management's purposes or to provide assurance on the design or operational effectiveness of internal control over financial reporting.

The extent to which deficiencies in internal control may be identified through an audit of financial statements is influenced by a variety of factors including our assessment of materiality, our preliminary assessment of the risks of material misstatement, our audit approach, and the nature, timing and extent of the auditing procedures that we conduct. Accordingly, we gain only a limited understanding of controls as a result of the procedures that we conduct during an audit of financial statements.

We will inform the Audit and Risk Management Committee and management of any significant deficiencies that are identified in the course of conducting the audit.



**Substantive audit procedures**

Our substantive audit procedures consist of a tailored combination of analytical procedures and detailed tests of transactions and balances. These procedures take into account the results of our controls tests and are designed to enable us to obtain reasonable assurance that the financial statements are free from material misstatements. To obtain this assurance, misstatements that we identify while performing substantive auditing procedures will be considered in relation to the financial statements as a whole. Any misstatements that we identify, other than those that are clearly trivial (the threshold has been set at 5% of materiality), will be reported to management and the Audit and Risk Management Committee. In accordance with Canadian GAAS, we will request that misstatements be corrected.

**4. Reporting and assessing performance****Perform post-engagement activities**

We will analyze the results of the audit procedures performed throughout the year and, prior to rendering our report, we will conclude whether:

- The scope of the audit was sufficient to support our opinion; and
- The misstatements identified during the audit do not result in the financial statements being materially misstated.

**Independence**

We have developed important safeguards and procedures to protect our independence and objectivity. If, during the year, we identify a breach of independence, we will communicate it to you in writing. Our communication will describe the significance of the breach, including its nature and duration, the action taken or proposed to be taken, and our conclusion as to whether or not the action will satisfactorily address the consequences of the breach and have any impact on our ability to serve as independent auditor to Calhome.

We are independent of Calhome and we will reconfirm our independence in our final report to the Audit and Risk Management Committee.

# Appendix 2 – Communication requirements

Required communication	Reference
<b>Audit Service Plan</b>	
1. Our responsibilities under Canadian GAAS, including forming and expressing an opinion on the financial statements	CAS <sup>1</sup> 260.14
2. An overview of the overall audit strategy, addressing: <ul style="list-style-type: none"> <li>a. Timing of the audit</li> <li>b. Significant risks, including fraud risks</li> <li>c. Nature and extent of specialized skill or knowledge needed to perform the planned audit procedures related to significant risk</li> </ul>	CAS 260.15
3. Significant transactions outside of the normal course of business, including related party transactions	CAS 260 App. 2, CAS 550.27
<b>Enquiries of those charged with governance</b>	
4. How those charged with governance exercise oversight over Management's process for identifying and responding to the risk of fraud and the internal control that Management has established to mitigate these risks	CAS 240.20
5. Any known suspected or alleged fraud affecting Calhome	CAS 240.21
6. Whether Calhome is in compliance with laws and regulations	CAS 250.14
<b>Year-end communication</b>	
7. Fraud or possible fraud identified through the audit process	CAS 240.40-.42
8. Significant accounting policies, practices, unusual transactions, and our related conclusions	CAS 260.16 a.
9. Alternative treatments for accounting policies and practices that have been discussed with Management during the current audit period	CAS 260.16 a.
10. Matters related to going concern	CAS 570.23
11. Management judgments and accounting estimates	CAS 260.16 a.
12. Significant difficulties, if any, encountered during the audit	CAS 260.16 b.
13. Material written communications between Management and us, including Management representation letters	CAS 260.16 c.
14. Other matters that are significant to the oversight of the financial reporting process	CAS 260.16 d.
15. Modifications to our opinion(s)	CAS 260.A18

<sup>1</sup> CAS: Canadian Auditing Standards – CAS are issued by the Auditing and Assurance Standards Board of CPA Canada

Required communication	Reference
<b>Year-end communication</b>	
16. Our views of significant accounting or auditing matters for which Management consulted with other accountants and about which we have concerns	CAS 260.A19
17. Significant matters discussed with Management	CAS 260.A.19
18. Matters involving non-compliance with laws and regulations that come to our attention	CAS 250.23
19. Significant deficiencies in internal control, if any, identified by us in the conduct of the audit of the financial statements	CAS 265
20. Uncorrected misstatements and disclosure items	CAS 450.12-13
21. Any significant matters arising during the audit in connection with Calhome's related parties	CAS 550.27

# Appendix 3 – 2017 summary audit timeline

This estimated timetable indicates our various procedures and release of our communications as planned throughout the year:

	Estimated to begin	Targeted for completion
<b>Audit performance</b>		
Planning	October 2017	November 2017
Interim audit procedures	November 6, 2017	November 10, 2017
Final audit procedures	February 5, 2018	March 9, 2018
<b>Auditor's communications</b>		
Discuss audit planning, scope, risks of fraud, and fees		November 17, 2017
Review the results of our audit and provide audit report		March 2018
Review of business insights with management		March 2018

# Appendix 4 – Upcoming financial reporting standards

Significant upcoming financial reporting standards and other regulatory requirements that are likely to impact Calhome's financial reporting for future audits are:

Standards	Effective Date
<i>Related Party Disclosures</i> , Section PS 2200	Fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.
<i>Assets</i> , Section PS 3210	Fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.
<i>Contingent Assets</i> , Section PS 3320	Fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.
<i>Contractual Rights</i> , Section PS 3380	Fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.
<i>Inter-entity Transactions</i> , Section PS 3420	Fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.
Introduction to Public Sector Accounting Standards	Fiscal years beginning on or after January 1, 2017.
<i>Restructuring Transactions</i> , Section PS 3430	Fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted.

# Appendix 5 – Draft engagement letter

November 17, 2017

## Private and confidential

The Audit and Risk Management Committee of Calhome Properties Ltd.  
Mr. Peter Cheung, Chair of the Audit and Risk Management Committee  
2340 - 22 Street NE  
Calgary, AB T2E 8B7

Calhome Properties Ltd. operating as Calgary Housing Company  
Ms. Sarah Woodgate, President  
2340 - 22 Street NE  
Calgary, AB T2E 8B7

**Re:** Confirmation of services

Dear Sirs/Mesdames:

Deloitte LLP (“Deloitte” or “we” or “us”) is pleased to serve as your professional service provider for the entities listed below (the “Company”) for the fiscal year 2017.

The purpose of this letter and any attached appendices (collectively, the “Confirmation Letter”) is to confirm our mutual understanding of the services to be provided to you. This Confirmation Letter is issued to you further to the executed engagement letter dated November 7, 2016 (the “Prior Engagement Letter”). This Confirmation Letter is subject to the terms and conditions contained in the Prior Engagement Letter, its accompanying appendices and any subsequent amendments, except to the extent revised herein.

The chart below sets out the entities and the services we will provide to them in respect of their year ends. In addition to the professional fees, you will reimburse us for reasonable expenses and pay an administrative charge of 7% of professional fees, and applicable taxes.

Entity name	Year End	Financial Statement Audit	Special Government Reports – Specified Procedures	Total Professional Fees
Calhome Properties Ltd.	December 31, 2017	X		\$76,500
Calhome Properties Ltd. - Special Government Reports	December 31, 2017		X	\$3,500 per Report

This Confirmation Letter (including any documents incorporated by reference) will continue in force for future services provided by us to the Company unless amended by mutual agreement.

Please sign and return the attached copy of this Confirmation Letter to indicate your acknowledgement that it is in accordance with your understanding of the arrangements for our services.

Yours truly,

Chartered Professional Accountants

Enclosure

The services and terms set forth in and incorporated into this letter are acknowledged and approved by the Audit and Risk Management Committee:

**Calhome Properties Ltd.**

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Signature

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Title

The services and terms set forth in and incorporated into this letter are accepted and agreed to by management:

**Calhome Properties Ltd.**

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Signature

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Title

# Appendix A

## General business terms

Calhome Properties Ltd.  
November 17, 2017

The following general business terms (the “GBTs”) apply to all services that are performed under this Confirmation Letter and the Prior Engagement Letter (the “Services”) between Deloitte LLP, a limited liability partnership organized under the laws of Ontario (“Deloitte”) and you, the company or other entity that is a party to this Confirmation Letter (the “Client”). The GBTs, the Prior Engagement Letter (including the appendices), and the Confirmation Letter are together the “Agreement”.

1. **Timely performance** – Deloitte will not be liable for failures or delays in performance that arise from causes beyond Deloitte’s control, including the untimely performance by the Client of its obligations.
2. **Termination** – This Agreement and any Services may be terminated by either party at any time, with or without cause, by giving prior written notice to the other party 30 days before the effective date of termination, provided that in the event of a termination for cause, the breaching party shall have the right to cure the breach within such 30 day period. Deloitte may terminate this Agreement with immediate effect upon written notice to Client if Deloitte determines that its performance of any part of the Agreement would be illegal or in conflict with independence or professional rules. The Client will pay for time and expenses incurred by Deloitte up to the termination date together with reasonable time and expenses incurred to bring the Services to a close in a prompt and orderly manner.
3. **Fees** – Any fee estimates take into account the agreed-upon level of preparation and assistance from the Client and Client personnel. Deloitte will advise the Client on a timely basis should this preparation and assistance not be provided or should any other circumstances arise which cause actual time to exceed that estimate.
4. **Billing** – All invoices shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an invoice which remains unpaid from 30 days after the invoice date to the date on which the outstanding invoice is paid. To the extent that as part of the Services to be performed by Deloitte as described in the Agreement, Deloitte personnel are required to perform the Services in the United States of America (“U.S. Business”), the Client and Deloitte agree to assign performance of the U.S. Business to Deloitte Canada LLP, an affiliate of Deloitte. All Services performed by Deloitte Canada LLP shall be performed under the direction of Deloitte which shall remain responsible to the Client for such Services. Deloitte Canada LLP shall invoice the Client with respect to the U.S. Business and Deloitte will invoice for Services performed in Canada (“Canadian Business”). Payment for U.S. Business and/or Canadian Business can be settled with one payment to Deloitte.
5. **Governing law** – The Agreement will be governed by the laws of the Province where Deloitte’s principal office performing the Services is located and all disputes related to the Agreement and Services shall be subject to the exclusive jurisdiction of the courts of such Province.
6. **Working papers** – All working papers, files and other internal materials created or produced by Deloitte related to the Services are the property of Deloitte. In the event that Deloitte is requested by the Client or required by legal or regulatory process to produce its files related to the Services in proceedings to which Deloitte is not a party, the Client will reimburse Deloitte for its professional time and expenses, including legal fees, incurred in dealing with such matters.



7. **Third parties** – Deloitte's Services are not planned or conducted in contemplation of, or for the purpose of, reliance by any third party (other than the Client and any party to whom Deloitte's report is addressed) or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction. The Client shall use the advice, opinions, reports or other work product of Deloitte solely for the purposes specified in this Agreement and, in particular, shall not, without the prior written consent of Deloitte, use any advice, opinion, report or other work product of Deloitte in connection with business decisions of any third party or for advertisement purposes. All Services are only intended for the benefit of the Client and any party to whom Deloitte's report is addressed. The mere receipt of any advice, opinions, reports or other work product by any other persons is not intended to create any duty of care, professional relationship or any present or future liability between those persons and Deloitte. As a consequence, if copies of any advice, opinions, reports or other work product (or any information derived therefrom) are provided to others under the above exclusions, it is on the basis that Deloitte owes no duty of care or liability to them, or any other persons who subsequently receive the same. Nothing in this section shall be construed as limiting or restricting disclosure of the tax treatment or tax structure of the transaction as described in Rule 3501(c)(i) of PCAOB Release 2005-014 or Internal Revenue Code sections 6011 and 6111 and related Internal Revenue Service guidance.
8. **Privacy** – Deloitte and the Client agree that, in connection with the engagement, Deloitte may collect, use, disclose and otherwise process personal information about identifiable individuals ("Personal Information"). Deloitte's Services are provided on the basis that the Client has obtained any required consents under applicable privacy legislation for collection, use, disclosure and processing to Deloitte of Personal Information.
9. **Confidentiality** – To the extent that Deloitte collects or is provided with Personal Information or any proprietary or confidential information of the Client (collectively, "Confidential Information"), Deloitte will not disclose such information to any third party without the Client's consent, except as may be required or permitted by law, regulation, legal authority or professional obligations, or as otherwise permitted by this Agreement. Confidential Information may be disclosed by Deloitte to its affiliates and to member firms of Deloitte Touche Tohmatsu Limited and their respective subsidiaries and affiliates ("Deloitte Entities"), component auditors and third parties that provide services to Deloitte. Confidential Information collected by or provided to Deloitte in connection with the Services may be used, processed, disclosed and stored outside Canada by Deloitte, Deloitte Entities, component auditors or third party service providers to Deloitte. Deloitte is responsible to the Client for causing any such Deloitte Entities, component auditors and third party service providers to comply with the obligations of confidentiality set out in this section of the Agreement. Confidential Information may be subject to disclosure in accordance with laws applicable in the jurisdiction in which the information is used, processed or stored. The Client also agrees that Deloitte and such third party service providers to Deloitte may aggregate Confidential Information and use and disclose that information as part of research and advice, including, benchmarking services, provided that all such information will be rendered anonymous and not subject to association with the Client.

Except as instructed otherwise in writing, each party consents to the transmission by fax, email and voicemail, both confidential and other types of documents, correspondence and any other information relating to the execution of this Agreement. It is recognized that the parties will use the internet and that the internet may be insecure. Each party will be responsible for protecting its own systems and interests and, to the fullest extent permitted by law, will not be responsible to the other on any basis (contract, tort or otherwise) for any loss, damage or omission in any way arising from the use of the internet by either party or its personnel, including any Deloitte Entity and subcontractor personnel, to access the networks, applications, electronic data or other systems of the other party.

**10. Limitation on liability** – The Client and Deloitte agree to the following with respect to Deloitte's liability to the Client:

- a. The Client agrees that Deloitte shall not be liable to the Client for any claims, liabilities, or expenses relating to this Agreement and any Services for an aggregate amount in excess of three times the fees paid by the Client to Deloitte in the twelve months preceding the incident giving rise to the claim.
- b. In no event shall Deloitte be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense relating to this Agreement or any Services for any loss of revenue or profit, loss of opportunity, loss of data, or any other commercial or economic loss or failure to realize expected savings.
- c. In any action, claim, loss or damage arising out of this Agreement and any Services, the Client agrees that Deloitte's liability will be several and not joint and several and the Client may only claim payment from Deloitte of Deloitte's proportionate share of the total liability based on the degree of fault of Deloitte.

The provisions of this section shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise. This section shall survive termination or expiry of the Agreement. The provisions of this section shall not apply to any liability which by the governing law of the Agreement is unlawful to limit or exclude. In furtherance of the foregoing, from time to time, Deloitte may have individual partners and employees performing the Services within the Province of Quebec who are members of the Ordre des comptables professionnels agréés du Québec. The limitations outlined above in this Section 10 shall not apply to limit the personal civil liability of members of the Ordre des comptables professionnels agréés du Québec performing professional Services hereunder (and with respect to such members, such limitations shall be deemed not to be included in this Agreement). For purposes of this section, "Deloitte" shall mean Deloitte LLP and its directors, officers, partners, professional corporations, employees, subsidiaries and affiliates and to the extent providing Services, any Deloitte Entities and all of their partners, principals, members, owners, directors, staff and agents; and in all cases any successor or assignee. The Client agrees that any claims that may arise out of this Agreement or any Services will be brought solely against Deloitte as the contracting party and not against any other Deloitte Entities.

11. **Assignment** – Except as provided herein, no party may assign, transfer, or delegate any of its rights or obligations relating to the Agreement without the prior written consent of the other party. Deloitte may assign its rights and obligations under this Agreement to any affiliate or successor in interest to all or substantially all the assets or business of the relevant Deloitte practice.
12. **Deloitte Entities and subcontractors** – Deloitte may use the services of any Deloitte Entities, component auditors, or other subcontractors (including those operating outside Canada) to assist Deloitte. Deloitte remains responsible to the Client for Services performed by Deloitte Entities and subcontractors.
13. **Software Tools** – In connection with the Services, Deloitte may use data analytics technology which may require Deloitte to install and use one or more data extraction tools ("Extractors") on the Client's computing systems. The Client hereby consents to such access and the installation and use of such Extractors, and where applicable, Deloitte hereby grants the Client a limited, revocable, non-exclusive, non-assignable, non-sublicensable right to install and use those Extractors solely in connection with Deloitte's performance of the Services. Deloitte recommends that the Client perform adequate security and other appropriate testing on the Extractors before installation. All Extractors are protected by copyright and other laws of various countries, and Deloitte and its licensors reserve all rights not expressly granted in the Agreement. The Client is not allowed to reverse engineer, disassemble, decompile, or otherwise attempt to derive the Extractors' source code, nor assist, directly or indirectly, in any efforts to do so, nor adapt, modify or create derivative works based on the Extractors. The license granted above will terminate upon completion or termination of the Services. When the license terminates, the Client must, where applicable, stop using the Extractors and delete any and all installed

Extractors from the Client's computing systems, unless Deloitte and the Client have entered into a subsequent agreement that allows for the Client's continued use. Although Deloitte takes commercially reasonable steps to make the Extractors useful and secure, Deloitte does not have any obligation to ensure they are so, or to maintain, update, upgrade or otherwise modify or support the Extractors. The Extractors are provided "as is" and "as available", without warranty of any kind, and Deloitte expressly disclaims all implied warranties, including that the Extractors will be secure and error-free, or will meet any other criteria of performance or quality.

14. **Survival** – Any clause that is meant to continue to apply after termination of the Agreement will do so.
15. **Entire Agreement** – The Agreement forms the entire agreement between the parties in relation to the Services and supersedes all other oral and written representations, understandings or agreements related to the Services.
16. **Severability** – If a court or regulator with proper jurisdiction determines that a provision of this Agreement is invalid, then that provision will be interpreted in a way that is valid under applicable law or regulation. If any provision is invalid, the rest of the Agreement will remain in effect.
17. **Qualifications** – Notwithstanding anything herein to the contrary, Deloitte may use the name of the Client, refer to this Agreement and the performance of Services in marketing, publicity materials and other material, as an indication of its experience, and in internal data systems.
18. **Tax services and review by tax authorities** – The Client shall cooperate with Deloitte in the performance by Deloitte of tax related Services, including, without limitation, providing Deloitte with reasonable facilities and timely access to data, information and personnel of the Client. Client shall be responsible for the performance of its personnel and agents, for the timeliness, accuracy and completeness of all data and information (including all financial information and statements) provided to Deloitte by or on behalf of the Client and for the implementation of any advice, opinions, reports or other work product in any form provided as part of the Services. Deloitte may use and rely on information and data furnished by the Client or others without verification. Deloitte's performance shall be dependent upon the timely performance of the Client's responsibilities hereunder and timely decisions and approvals of the Client in connection with the Services. Deloitte shall be entitled to rely on all decisions and approvals of the Client. To the extent the Client requests tax related Services, Deloitte will use professional judgment in resolving questions affecting the Client relating to the tax Services to be provided by Deloitte. Where there are alternative filing positions or tax transactions, Deloitte will undertake to describe the benefits and risks of each so that the Client can make an informed decision. All returns are subject to examination by taxation authorities and the Client's returns may be audited and challenged by Canadian and other tax authorities. The Client understands that Deloitte's tax advice or opinions are not binding on tax authorities or the courts and should never be considered a representation, warranty, or guarantee that the tax authorities or the courts will concur with Deloitte's advice or opinion. Any tax assistance provided by Deloitte will be based upon the law, regulations, cases, rulings, and other tax authority in effect at the time the specific tax assistance is provided. Deloitte may provide the Client with draft copies of returns or tax advice. Where any drafts are finalized and provided to the Client in final form, such previous drafts should not be relied upon. Nothing in this Agreement shall be construed as limiting or restricting disclosure of the tax treatment or tax structure of any transaction as described in the rules of any taxation authority, including Canada Revenue Agency and the Internal Revenue Service.
19. **Electronic messaging** – In accordance with Canadian anti-spam legislation, the Client consents to Deloitte contacting the Client and its personnel through electronic messages relating to Deloitte's Services, products and other matters of interest to the Client after the completion of this Agreement. The Client may withdraw any such consent by contacting Deloitte at [unsubscribe@deloitte.ca](mailto:unsubscribe@deloitte.ca).
20. **Language** – The parties have requested that this Agreement and all communications and documents relating hereto be expressed in the English language. Les parties ont exigé que la présente convention ainsi que tous les documents s'y rattachant soient rédigés dans la langue anglaise.



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