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## **The Corporation of the City of Peterborough**

### **By-Law Number 23-067**

Being a By-law to authorize the borrowing upon serial debentures in the aggregate principal amount of \$14,722,700.00 towards the cost of certain capital works described in schedule “A” to this by-law

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**Whereas** subsection 401 (1) of the **Municipal Act, 2001**, as amended (the “Act”) provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt;

**And Whereas** subsection 408 (2.1) of the Act provides that a municipality may issue a debenture or other financial instrument for long-term borrowing only to provide financing for a capital work;

**And Whereas** the Council of The Corporation of the City of Peterborough (the “Municipality”) has passed the By-laws enumerated in column (1) of Schedule “A” attached hereto and forming part of this By-law to authorize the classes of works and the capital works described in column (2) of Schedule “A” (individually a “Capital Work”, collectively the “Capital Works”), to authorize the long-term borrowing from Ontario Infrastructure and Lands Corporation (“OILC”) in respect of the Capital Works and to confirm, ratify and approve the execution by the Treasurer of the application to OILC for financing the Capital Works (the “Application”) and the submission by such authorized official of the Application; and to execute and deliver to OILC the rate offer letter agreement in respect of such long-term borrowing for the Capital Works;

**And Whereas** before authorizing the Capital Works and before authorizing any additional cost amount and any additional debenture authority in respect thereof, the Council of the Municipality had its Treasurer calculate an updated limit in respect of its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing in accordance with the applicable regulation and, prior to the Council of the Municipality authorizing each Capital Work, each such additional cost amount and each such additional debenture authority the Treasurer determined that the estimated annual amount payable in respect of each Capital Work, each such additional cost amount and each such additional debenture authority would not cause the Municipality to exceed the updated limit and that the approval of each Capital Work, each such additional cost amount and each such additional debenture authority by the Ontario Land Tribunal or its predecessor pursuant to such regulation was not required;

**And Whereas** the Municipality has submitted the Application to OILC and the Application has been approved;

**And Whereas** to provide long-term financing for the Capital Works, it is now deemed to be expedient to borrow money by the issue of serial debentures in the aggregate principal amount of \$14,722,700.00 dated July 17, 2023 and maturing on July 17, 2033 and payable in quarterly instalments of combined equal principal and diminishing interest amounts, in each of the years 2023 to 2033, both inclusive, commencing on October 17, 2023, as set forth in Schedule “C” attached hereto and forming part of this By-law (“Schedule “C”), on the terms hereinafter set forth;

**Now Therefore**, The Corporation of the City of Peterborough by the Council thereof hereby enacts as follows:

1. For the Capital Works, the borrowing upon the credit of the Municipality at large of the aggregate principal amount of \$14,722,700.00 and the issue of serial debentures

therefor to be repaid in quarterly instalments of combined principal and interest as hereinafter set forth, are hereby authorized.

2. The Mayor and the Treasurer of the Municipality are hereby authorized to cause any number of serial debentures to be issued for such amounts of money as may be required for the Capital Works in definitive form, not exceeding in total the said aggregate principal amount of \$14,722,700.00 (the "Debentures"). The Debentures shall bear the Municipality's municipal seal and the signatures of the Mayor and the Treasurer of the Municipality, all in accordance with the provisions of the Act. The Debentures are sufficiently signed if they bear the required signatures and each person signing has the authority to do so on the date he or she signs.
3. The Debentures shall be in fully registered form as one or more certificates in the aggregate principal amount of \$14,722,700.00, in the name of OILC, or as OILC may otherwise direct, substantially in the form attached as Schedule "B" hereto and forming part of this By-law with provision for payment of principal and interest (other than in respect of the final payment of principal and outstanding interest on maturity upon presentation and surrender) by pre-authorized debit in respect of such principal and interest to the credit of such registered holder on such terms as to which the registered holder and the Municipality may agree.
4. In accordance with the provisions of section 25 of the **Ontario Infrastructure and Lands Corporation Act, 2011**, as amended from time to time hereafter, the Municipality is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding any amounts that the Municipality fails to pay OILC on account of any unpaid indebtedness of the Municipality to OILC under the Debentures and to pay such amounts to OILC from the Consolidated Revenue Fund.
5. The Debentures shall all be dated the 17th day of July, 2023, and as to both principal and interest shall be expressed and be payable in lawful money of Canada. The Debentures shall bear interest at the rate of 4.58% per annum and mature during a period of 10 years from the date thereof payable quarterly in arrears as described in this section. The Debentures shall be paid in full by July 17, 2033 and be payable in quarterly instalments of combined equal principal and diminishing interest amounts in each of the years 2023 to 2033, both inclusive, commencing on October 17, 2023, as set forth in Schedule "C".
6. Payments in respect of principal of and interest on the Debentures shall be made only on a day, other than Saturday or Sunday, on which banking institutions in Toronto, Ontario, Canada and the Municipality are not authorized or obligated by law or executive order to be closed (a "Business Day") and if any date for payment is not a Business Day, payment shall be made on the next following Business Day.
7. Interest shall be payable to the date of maturity of the Debentures and on default shall be payable on any overdue amounts both before and after default and judgment at a rate per annum equal to the greater of the rate specified on the Schedule as attached to and forming part of the Debentures for such amounts plus 200 basis points or the Prime Rate (as defined below) plus 200 basis points, calculated on a daily basis from the date such amounts become overdue for so long as such amounts remain overdue and the Municipality shall pay to the registered holders any and all costs incurred by the registered holders as a result of the overdue payment. Any amounts payable by the Municipality as interest on overdue principal or interest and all costs incurred by the registered holders as a result of the overdue payment in respect of the Debentures shall be paid out of current revenue. Whenever it is necessary to compute any amount of interest in respect of the Debentures for a period of less than one full year, other than with respect to regular quarterly interest payments, such interest shall be calculated on the basis of the actual number of days in the period and a year of 365 days or 366 days as appropriate.

“Prime Rate” means, on any day, the annual rate of interest which is the arithmetic mean of the prime rates announced from time to time by the following five major Canadian Schedule I banks, as of the issue date of the Debentures: Royal Bank of Canada; Canadian Imperial Bank of Commerce; The Bank of Nova Scotia; Bank of Montreal; and The Toronto-Dominion Bank (the “Reference Banks”) as their reference rates in effect on such day for Canadian dollar commercial loans made in Canada. If fewer than five of the Reference Banks quote a prime rate on such days, the “Prime Rate” shall be the arithmetic mean of the rates quoted by those Reference Banks.

8. In each year in which a payment of quarterly instalments of combined equal principal and diminishing interest amounts becomes due in respect of the Capital Works, there shall be raised as part of the Municipality’s general levy the amounts of principal and interest payable by the Municipality in each year as set out in Schedule “C” to the extent that the amounts have not been provided for by any other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality.
9. The Debentures may contain any provision for their registration thereof authorized by any statute relating to municipal debentures in force at the time of the issue thereof.
10. The Municipality shall maintain a registry in respect of the Debentures in which shall be recorded the names and the addresses of the registered holders and particulars of the Debentures held by them respectively and in which particulars of the cancellations, exchanges, substitutions and transfers of Debentures, may be recorded and the Municipality is authorized to use electronic, magnetic or other media for records of or related to the Debentures or for copies of them.
11. The Municipality shall not be bound to see to the execution of any trust affecting the ownership of any Debenture or be affected by notice of any equity that may be subsisting in respect thereof. The Municipality shall deem and treat registered holders of the Debentures as the absolute owners thereof for all purposes whatsoever notwithstanding any notice to the contrary and all payments to or to the order of registered holders shall be valid and effectual to discharge the liability of the Municipality on the Debentures to the extent of the amount or amounts so paid. When a Debenture is registered in more than one name, the principal of and interest from time to time payable on such Debenture shall be paid to or to the order of all the joint registered holders thereof, failing written instructions to the contrary from all such joint registered holders, and such payment shall constitute a valid discharge to the Municipality. In the case of the death of one or more joint registered holders, despite the foregoing provisions of this section, the principal of and interest on any Debentures registered in their names may be paid to the survivor or survivors of such holders and such payment shall constitute a valid discharge to the Municipality.
12. The Debentures will be transferable or exchangeable at the office of the Treasurer of the Municipality upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the Municipality and which form is in accordance with the prevailing Canadian transfer legislation and practices, executed by the registered holder thereof or such holder’s duly authorized attorney or legal personal representative, whereupon and upon registration of such transfer or exchange and cancellation of the Debenture or Debentures presented, the Mayor and the Treasurer shall issue and deliver a new Debenture or Debentures of an equal aggregate principal amount in any authorized denomination or denominations as directed by the transferor, in the case of a transfer or as directed by the registered holder in the case of an exchange.
13. The Mayor and the Treasurer shall issue and deliver new Debentures in exchange or substitution for Debentures outstanding on the registry with the same maturity and of like form which have become mutilated, defaced, lost, subject to a mysterious or unexplainable disappearance, stolen or destroyed, provided that the applicant therefor shall have: (a) paid such costs as may have been incurred in connection therewith; (b) (in the case when a Debenture is mutilated, defaced, lost, mysteriously

or unexplainably missing, stolen or destroyed) furnished the Municipality with such evidence (including evidence as to the certificate number of the Debenture in question) and an indemnity in respect thereof satisfactory to the Municipality in its discretion; and (c) surrendered to the Municipality any mutilated or defaced Debentures in respect of which new Debentures are to be issued in substitution.

14. The Debentures issued upon any registration of transfer or exchange or in substitution for any Debentures or part thereof shall carry all the rights to interest if any, accrued and unpaid which were carried by such Debentures or part thereof and shall be so dated and shall bear the same maturity date and, subject to the provisions of this By-law, shall be subject to the same terms and conditions as the Debentures in respect of which the transfer, exchange or substitution is effected.
15. The cost of all transfers and exchanges, including the printing of authorized denominations of the new Debentures, shall be borne by the Municipality. When any of the Debentures are surrendered for transfer or exchange the Treasurer of the Municipality shall: (a) in the case of an exchange, cancel and destroy the Debentures surrendered for exchange; (b) in the case of an exchange, certify the cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debenture or Debentures issued in exchange; and (d) in the case of a transfer, enter in the registry particulars of the registered holder as directed by the transferor.
16. Reasonable fees in respect of the Debentures, in the normal course of business, other than reasonable fees for the substitution of a new Debenture or new Debentures for any of the Debentures that are mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed and for the replacement of any of the principal and interest cheques (if any) that are mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed may be imposed by the Municipality. When new Debentures are issued in substitution in these circumstances the Municipality shall: (a) treat as cancelled and destroyed the Debentures in respect of which new Debentures will be issued in substitution; (b) certify the deemed cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debentures issued in substitution; and (d) make a notation of any indemnities provided.
17. Except as otherwise expressly provided herein, any notice required to be given to a registered holder of one or more of the Debentures will be sufficiently given if a copy of such notice is mailed or otherwise delivered to the registered address of such registered holder.
18. The Mayor and the Treasurer are hereby authorized to cause the Debentures to be issued, one or more of the Clerk and the Treasurer are hereby authorized to generally do all things and to execute all other documents and other papers in the name of the Municipality in order to carry out the issue of the Debentures and the Treasurer or the Clerk, as the case may be, is authorized to affix the Municipality's municipal seal to any of such documents and papers.
19. The money received by the Municipality from the sale of the Debentures to OILC, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related to their issue, if any, shall be apportioned and applied to the Capital Works and to no other purpose except as permitted by the Act.
20. Subject to the Municipality's investment policies and goals, the applicable legislation and the terms and conditions of the Debentures, the Municipality may, if not in default under the Debentures, at any time purchase any of the Debentures in the open market or by tender or by private contract at any price and on such terms and conditions (including, without limitation, the manner by which any tender offer may be communicated or accepted and the persons to whom it may be addressed) as the Municipality may in its discretion determine.
21. This By-law shall come into force and takes effect on the date of its final passing.

By-law read a first, second and third time this 26th day of June, 2023.

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Jeff Leal, Mayor

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John Kennedy, City Clerk

Debenture Information

(1)	(2)	(3)	(4)	(5)	(6)
By-law	Capital Work Description	Approved Amount to be Financed Through the Issue of Debentures	Amount of Debentures Previously Issued Under Authorizing By-laws Listed in Column (1)	Amount of Debentures to be Issued	Term of Years of Debentures
Tax Supported Capital Works					
21-148 23-044	Capital costs in connection with the General Aviation Expansion project	100,000.00	Nil	72,600.00	10
20-013 21-013 23-044	Capital costs in connection with the Airport – Internal Roads Development project	300,000.00	Nil	300,000.00	10
18-091 19-008 20-007 21-010 23-044	Capital costs in connection with the Enterprise Software Modernization project	3,892,389.00	Nil	3,892,300.00	10
21-014 23-044	Capital costs in connection with the Simcoe Street Culvert project	1,500,000.00	Nil	1,500,000.00	10
21-130 23-044	Capital costs in connection with the Pavement Preservation Program project	450,000.00	Nil	450,000.00	10
21-131 23-044	Capital costs in connection with the Roads Resurfacing Pavement Program project	364,400.00	Nil	364,400.00	10
21-018 23-044	Capital costs in connection with the Wading Pool Splash Pads project	320,000.00	Nil	320,000.00	10
16-139 21-128 23-044	Capital costs in connection with the Quaker Foods City Square (Charlotte Street Renewal/Louis Street Urban Park) project	1,093,500.00	Nil	1,093,500.00	10
17-147 23-044	Capital costs in connection with the Corporate Services Property Upgrades – Pboro Day Care HVAC, etc. project	175,000.00	Nil	175,000.00	10

(1)	(2)	(3)	(4)	(5)	(6)
By-law	Capital Work Description	Approved Amount to be Financed Through the Issue of Debentures	Amount of Debentures Previously Issued Under Authorizing By-laws Listed in Column (1)	Amount of Debentures to be Issued	Term of Years of Debentures
20-003 23-044	Capital costs in connection with the City Hall Replacement Generators project	500,000.00	Nil	500,000.00	10
18-093 23-044	Capital costs in connection with the Property Renovation project	250,000.00	Nil	63,900.00	10
21-012 23-044	Capital costs in connection with the Fire Station # 1 project	350,000.00	Nil	350,000.00	10
21-132 23-044	Capital costs in connection with the Sidewalk Reconstruction – 2022 Project	561,500.00	Nil	561,500.00	10
21-015 21-133 23-044	Capital costs in connection with the Simcoe Parking Rehabilitation project	3,000,000.00	Nil	3,000,000.00	10
23-040 23-044	Capital costs in connection with the Central Area (Bethune Street) Flood Reduction project	2,079,500.00	Nil	2,079,500.00	10
<b>Total Tax Supported Capital Works</b>				<b>14,722,700.00</b>	

Debenture Certificate

No. OILC2023-01

\$14,722,700.00

C A N A D A  
Province of Ontario  
THE CORPORATION OF THE CITY OF PETERBOROUGH

FULLY REGISTERED 4.58% SERIAL DEBENTURE  
THE CORPORATION OF THE CITY OF PETERBOROUGH (the “Municipality”), for value received, hereby promises to pay to

ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (“OILC”)

or registered assigns, subject to the Conditions attached hereto which form part hereof (the “Conditions”), upon presentation and surrender of this debenture (or as otherwise agreed to by the Municipality and OILC) by the maturity date of this debenture (July 17, 2033), the principal amount of

FOURTEEN MILLION, SEVEN HUNDRED TWENTY-TWO THOUSAND SEVEN HUNDRED  
DOLLARS  
----- (\$14,722,700.00) -----

by quarterly instalments of combined equal principal and diminishing interest amounts in each of the years 2023 to 2033, both inclusive, commencing on October 17, 2023, in the amounts set forth in the attached Serial Debenture Schedule (the “Amortization Schedule”) and subject to late payment interest charges pursuant to the Conditions, in lawful money of Canada. Subject to the Conditions: interest shall be paid until the maturity date of this debenture, in like money in quarterly payments from the closing date (July 17, 2023), or from the last date on which interest has been paid on this debenture, whichever is later, at the rate of 4.58% per annum, in arrears, on the specified dates, as set forth in the Amortization Schedule; and interest shall be paid on default at the applicable rate set out in the Amortization Schedule both before and after default and judgment. The payments of principal and interest and the outstanding amount of principal in each year are shown in the Amortization Schedule.

The Municipality, pursuant to section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011* (the “OILC Act, 2011”) hereby irrevocably agrees that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding any amounts that the Municipality fails to pay OILC on account of any unpaid indebtedness under this debenture, and to pay such amounts to OILC from the Consolidated Revenue Fund.

This debenture is subject to the Conditions.

DATED at the City of Peterborough as at the 17th day of July, 2023

IN TESTIMONY WHEREOF and under the authority of By-law Number 23-067 of the Municipality duly passed on the 26th day of June, 2023 (the “By-law”), this debenture is sealed with the municipal seal of the Municipality and signed by the Mayor and by the Treasurer thereof.

Date of Registration: July 17, 2023

_____	(Seal)	_____
Jeff Leal, Mayor		Richard Freymond, Treasurer



LOAN AMORTIZATION SCHEDULE

Name: The Corporation of the City of Peterborough  
Principal: \$14,722,700.00  
Rate: 4.58%  
Term: 10 years  
Matures: July 17, 2033

Pay #	Date	Amount Due \$	Principal Due \$	Interest Due \$	Rem. Principal \$
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1	10/17/2023	538,027.96	368,067.50	169,960.46	14,354,632.50
2	01/17/2024	533,778.95	368,067.50	165,711.45	13,986,565.00
3	04/17/2024	527,774.91	368,067.50	159,707.41	13,618,497.50
4	07/17/2024	523,572.09	368,067.50	155,504.59	13,250,430.00
5	10/17/2024	521,031.92	368,067.50	152,964.42	12,882,362.50
6	01/17/2025	516,782.90	368,067.50	148,715.40	12,514,295.00
7	04/17/2025	509,393.32	368,067.50	141,325.82	12,146,227.50
8	07/17/2025	506,760.78	368,067.50	138,693.28	11,778,160.00
9	10/17/2025	504,035.87	368,067.50	135,968.37	11,410,092.50
10	01/17/2026	499,786.86	368,067.50	131,719.36	11,042,025.00
11	04/17/2026	492,766.75	368,067.50	124,699.25	10,673,957.50
12	07/17/2026	489,949.47	368,067.50	121,881.97	10,305,890.00
13	10/17/2026	487,039.82	368,067.50	118,972.32	9,937,822.50
14	01/17/2027	482,790.81	368,067.50	114,723.31	9,569,755.00
15	04/17/2027	476,140.19	368,067.50	108,072.69	9,201,687.50
16	07/17/2027	473,138.17	368,067.50	105,070.67	8,833,620.00
17	10/17/2027	470,043.78	368,067.50	101,976.28	8,465,552.50
18	01/17/2028	465,794.77	368,067.50	97,727.27	8,097,485.00
19	04/17/2028	460,529.69	368,067.50	92,462.19	7,729,417.50
20	07/17/2028	456,326.86	368,067.50	88,259.36	7,361,350.00
21	10/17/2028	453,047.73	368,067.50	84,980.23	6,993,282.50
22	01/17/2029	448,798.72	368,067.50	80,731.22	6,625,215.00
23	04/17/2029	442,887.05	368,067.50	74,819.55	6,257,147.50
24	07/17/2029	439,515.55	368,067.50	71,448.05	5,889,080.00
25	10/17/2029	436,051.68	368,067.50	67,984.18	5,521,012.50
26	01/17/2030	431,802.67	368,067.50	63,735.17	5,152,945.00
27	04/17/2030	426,260.48	368,067.50	58,192.98	4,784,877.50
28	07/17/2030	422,704.25	368,067.50	54,636.75	4,416,810.00
29	10/17/2030	419,055.64	368,067.50	50,988.14	4,048,742.50
30	01/17/2031	414,806.63	368,067.50	46,739.13	3,680,675.00
31	04/17/2031	409,633.92	368,067.50	41,566.42	3,312,607.50
32	07/17/2031	405,892.94	368,067.50	37,825.44	2,944,540.00
33	10/17/2031	402,059.59	368,067.50	33,992.09	2,576,472.50
34	01/17/2032	397,810.58	368,067.50	29,743.08	2,208,405.00
35	04/17/2032	393,284.46	368,067.50	25,216.96	1,840,337.50
36	07/17/2032	389,081.63	368,067.50	21,014.13	1,472,270.00
37	10/17/2032	385,063.55	368,067.50	16,996.05	1,104,202.50
38	01/17/2033	380,814.53	368,067.50	12,747.03	736,135.00
39	04/17/2033	376,380.78	368,067.50	8,313.28	368,067.50
40	07/17/2033	372,270.33	368,067.50	4,202.83	0.00
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		18,182,688.58	14,722,700.00	3,459,988.58	

OILC hereby agrees that the Minister of Finance is entitled to exercise certain rights of deduction pursuant to section 25 of the OILC Act, 2011 as described in this debenture.

Ontario Infrastructure and Lands Corporation

by: \_\_\_\_\_  
Authorized Signing Officer

by: \_\_\_\_\_  
Authorized Signing Officer

LEGAL OPINION

We have examined the By-law of the Municipality authorizing the issue of serial debentures in the aggregate principal amount of \$14,722,700.00 dated July 17, 2023 and maturing on July 17, 2033 payable in quarterly instalments of combined equal principal and diminishing interest amounts in each of the years 2023 to 2033, both inclusive, commencing on October 17, 2023, as set out in Schedule “C” to the By-law.

In our opinion, the By-law has been properly passed and is within the legal powers of the Municipality. The debenture issued under the By-law in the within form (the “Debenture”) is the direct, general, unsecured and unsubordinated obligation of the Municipality. The Debenture is enforceable against the Municipality subject to the special jurisdiction and powers of the Ontario Land Tribunal over defaulting municipalities under the *Municipal Affairs Act*. This opinion is subject to and incorporates all the assumptions, qualifications and limitations set out in our opinion letter.

July 17, 2023

WeirFoulds LLP

## **CONDITIONS OF THE DEBENTURE**

### **Form, Denomination, and Ranking of the Debenture**

1. The debentures issued pursuant to the By-law (collectively the “Debentures” and individually a “Debenture”) are issuable as fully registered Debentures without coupons.
2. The Debentures are direct, general, unsecured and unsubordinated obligations of the Municipality. The Debentures rank concurrently and equally in respect of payment of principal and interest with all other debentures of the Municipality except for the availability of money in a sinking or retirement fund for a particular issue of debentures.
3. This Debenture is one fully registered Debenture registered in the name of OILC and held by OILC.

### **Registration**

4. The Municipality shall maintain at its designated office a registry in respect of the Debentures in which shall be recorded the names and the addresses of the registered holders and particulars of the Debentures held by them respectively and in which particulars of cancellations, exchanges, substitutions and transfers of Debentures, may be recorded and the Municipality is authorized to use electronic, magnetic or other media for records of or related to the Debentures or for copies of them.

### **Title**

5. The Municipality shall not be bound to see to the execution of any trust affecting the ownership of any Debenture or be affected by notice of any equity that may be subsisting in respect thereof. The Municipality shall deem and treat registered holders of Debentures, including this Debenture, as the absolute owners thereof for all purposes whatsoever notwithstanding any notice to the contrary and all payments to or to the order of registered holders shall be valid and effectual to discharge the liability of the Municipality on the Debentures to the extent of the amount or amounts so paid. Where a Debenture is registered in more than one name, the principal of and interest from time to time payable on such Debenture shall be paid to or to the order of all the joint registered holders thereof, failing written instructions to the contrary from all such joint registered holders, and such payment shall constitute a valid discharge to the Municipality. In the case of the death of one or more joint registered holders, despite the foregoing provisions of this section, the principal of and interest on any Debentures registered in their names may be paid to the survivor or survivors of such holders and such payment shall constitute a valid discharge to the Municipality.

### **Payments of Principal and Interest**

6. The record date for purposes of payment of principal and interest on the Debentures is as of 5:00 p.m. on the sixteenth calendar day preceding any payment date including the maturity date. Principal of and interest on the Debentures are payable by the Municipality to the persons registered as holders in the registry on the relevant record date. The Municipality shall not be required to register any transfer, exchange or substitution of Debentures during the period from any record date to the corresponding payment date.
7. The Municipality shall make all payments in respect of quarterly instalments of combined equal principal and diminishing interest amounts, on the Debentures in each of the years 2023 to 2033, both inclusive, commencing on October 17, 2023, as set out in Schedule “C” to the By-law, by pre-authorized debit in respect of such interest and principal to the credit of the registered holder on such terms as the Municipality and the registered holder may agree.

8. The Municipality shall pay to the registered holder interest on any overdue amount of principal or interest in respect of any Debenture, both before and after default and judgment, at a rate per annum equal to the greater of the rate specified on the Amortization Schedule as attached to and forming part of the Debenture for such amount plus 200 basis points or Prime Rate (as defined below) plus 200 basis points, calculated on a daily basis from the date such amount becomes overdue for so long as such amount remains overdue and the Municipality shall pay to the registered holder any and all costs incurred by the registered holder as a result of the overdue payment.
9. Whenever it is necessary to compute any amount of interest in respect of the Debentures for a period of less than one full year, other than with respect to regular quarterly interest payments, such interest shall be calculated on the basis of the actual number of days in the period and a year of 365 days or 366 days as appropriate.
10. Payments in respect of principal of and interest on the Debentures shall be made only on a day, other than Saturday or Sunday, on which banking institutions in Toronto, Ontario, Canada and the Municipality are not authorized or obligated by law or executive order to be closed (a "**Business Day**"), and if any date for payment is not a Business Day, payment shall be made on the next following Business Day as noted on the Amortization Schedule.
11. The Debentures are transferable or exchangeable at the office of the Treasurer of the Municipality upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the Municipality and which form is in accordance with the prevailing Canadian transfer legislation and practices, executed by the registered holder thereof or such holder's duly authorized attorney or legal personal representative, whereupon and upon registration of such transfer or exchange and cancellation of the Debenture or Debentures presented, a new Debenture or Debentures of an equal aggregate principal amount in any authorized denomination or denominations will be delivered as directed by the transferor, in the case of a transfer or as directed by the registered holder in the case of an exchange.
12. The Municipality shall issue and deliver Debentures in exchange for or in substitution for Debentures outstanding on the registry with the same maturity and of like form in the event of a mutilation, defacement, loss, mysterious or unexplainable disappearance, theft or destruction, provided that the applicant therefor shall have: (a) paid such costs as may have been incurred in connection therewith; (b) (in the case of a mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed Debenture) furnished the Municipality with such evidence (including evidence as to the certificate number of the Debenture in question) and an indemnity in respect thereof satisfactory to the Municipality in its discretion; and (c) surrendered to the Municipality any mutilated or defaced Debentures in respect of which new Debentures are to be issued in substitution.
13. The Debentures issued upon any registration of transfer or exchange or in substitution for any Debentures or part thereof shall carry all the rights to interest if any, accrued and unpaid which were carried by such Debentures or part thereof and shall be so dated and shall bear the same maturity date and, subject to the provisions of the By-law, shall be subject to the same terms and conditions as the Debentures in respect of which the transfer, exchange or substitution is effected.
14. The cost of all transfers and exchanges, including the printing of authorized denominations of the new Debentures, shall be borne by the Municipality. When any of the Debentures are surrendered for transfer or exchange the Treasurer of the Municipality shall: (a) in the case of an exchange, cancel and destroy the Debentures surrendered for exchange; (b) in the case of an exchange, certify the cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debenture or Debentures issued in exchange; and (d) in the case of a

transfer, enter in the registry particulars of the registered holder as directed by the transferor.

15. Reasonable fees for the substitution of a new Debenture or new Debentures for any of the Debentures that are mutilated, defaced, lost, mysteriously or unexplainably missing, stolen, or destroyed and for the replacement of mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed principal and interest cheques (if any) may be imposed by the Municipality. When new Debentures are issued in substitution in these circumstances the Municipality shall: (a) treat as cancelled and destroyed the Debentures in respect of which new Debentures will be issued in substitution; (b) certify the deemed cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debentures issued in substitution; and (d) make a notation of any indemnities provided.
16. If OILC elects to terminate its obligations under the rate offer letter agreement entered into between the Municipality and OILC, or if the Municipality fails to meet and pay any of its debts or liabilities when due, or uses all or any portion of the proceeds of any Debenture for any purpose other than for a Capital Work(s) as authorized in the By-law pursuant to which the Debentures are issued at OILC's discretion, the Municipality shall pay to OILC the Make-Whole Amount on account of the losses that OILC will incur as a result of the early repayment or early termination.

### **Notices**

17. Except as otherwise expressly provided herein, any notice required to be given to a registered holder of one or more of the Debentures will be sufficiently given if a copy of such notice is mailed or otherwise delivered to the registered address of such registered holder. If the Municipality or any registered holder is required to give any notice in connection with the Debentures on or before any day and that day is not a Business Day (as defined in section 10 of these Conditions) then such notice may be given on the next following Business Day.

### **Time**

18. Unless otherwise expressly provided herein, any reference herein to a time shall be considered to be a reference to Toronto time.

### **Governing Law**

19. The Debentures are governed by and shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in Ontario.

### **Definitions:**

- (a) **"Prime Rate"** means, on any day, the annual rate of interest which is the arithmetic mean of the prime rates announced from time to time by the following five major Canadian Schedule I banks, as of the issue date of this Debenture: Royal Bank of Canada; Canadian Imperial Bank of Commerce; The Bank of Nova Scotia; Bank of Montreal; and The Toronto-Dominion Bank (the **"Reference Banks"**) as their reference rates in effect on such day for Canadian dollar commercial loans made in Canada. If fewer than five of the Reference Banks quote a prime rate on such days, the "Prime Rate" shall be the arithmetic mean of the rates quoted by those Reference Banks.

- (b) **"Make-Whole Amount"** means the amount determined by OILC as of the date of prepayment of the Debenture, by which (i) the present value of the remaining future scheduled payments of principal and interest under the Debenture to be repaid from the prepayment date until maturity of the Debenture discounted at the Ontario Yield exceeds (ii) the principal amount under the Debenture being repaid provided that the Make-Whole Amount shall never be less than zero.
  
- (c) **"Ontario Yield"** means the yield to maturity on the date of prepayment of the Debenture, assuming quarterly compounding, which a non-prepayable term loan made by the Province of Ontario would have if advanced on the date of prepayment of the Debenture, assuming the same principal amount as the Debenture and with a maturity date which is the same as the remaining term to maturity of the Debenture to be repaid minus 100 basis points.

Loan Amortization Schedule

Name: The Corporation of the City of Peterborough  
Principal: \$14,722,700.00  
Rate: 4.58%  
Term: 10 years  
Matures: July 17, 2033

Pay # Date	Amount Due \$	Principal Due \$	Interest Due \$	Rem. Principal \$
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1 10/17/2023	538,027.96	368,067.50	169,960.46	14,354,632.50
2 01/17/2024	533,778.95	368,067.50	165,711.45	13,986,565.00
3 04/17/2024	527,774.91	368,067.50	159,707.41	13,618,497.50
4 07/17/2024	523,572.09	368,067.50	155,504.59	13,250,430.00
5 10/17/2024	521,031.92	368,067.50	152,964.42	12,882,362.50
6 01/17/2025	516,782.90	368,067.50	148,715.40	12,514,295.00
7 04/17/2025	509,393.32	368,067.50	141,325.82	12,146,227.50
8 07/17/2025	506,760.78	368,067.50	138,693.28	11,778,160.00
9 10/17/2025	504,035.87	368,067.50	135,968.37	11,410,092.50
10 01/17/2026	499,786.86	368,067.50	131,719.36	11,042,025.00
11 04/17/2026	492,766.75	368,067.50	124,699.25	10,673,957.50
12 07/17/2026	489,949.47	368,067.50	121,881.97	10,305,890.00
13 10/17/2026	487,039.82	368,067.50	118,972.32	9,937,822.50
14 01/17/2027	482,790.81	368,067.50	114,723.31	9,569,755.00
15 04/17/2027	476,140.19	368,067.50	108,072.69	9,201,687.50
16 07/17/2027	473,138.17	368,067.50	105,070.67	8,833,620.00
17 10/17/2027	470,043.78	368,067.50	101,976.28	8,465,552.50
18 01/17/2028	465,794.77	368,067.50	97,727.27	8,097,485.00
19 04/17/2028	460,529.69	368,067.50	92,462.19	7,729,417.50
20 07/17/2028	456,326.86	368,067.50	88,259.36	7,361,350.00
21 10/17/2028	453,047.73	368,067.50	84,980.23	6,993,282.50
22 01/17/2029	448,798.72	368,067.50	80,731.22	6,625,215.00
23 04/17/2029	442,887.05	368,067.50	74,819.55	6,257,147.50
24 07/17/2029	439,515.55	368,067.50	71,448.05	5,889,080.00
25 10/17/2029	436,051.68	368,067.50	67,984.18	5,521,012.50
26 01/17/2030	431,802.67	368,067.50	63,735.17	5,152,945.00
27 04/17/2030	426,260.48	368,067.50	58,192.98	4,784,877.50
28 07/17/2030	422,704.25	368,067.50	54,636.75	4,416,810.00
29 10/17/2030	419,055.64	368,067.50	50,988.14	4,048,742.50
30 01/17/2031	414,806.63	368,067.50	46,739.13	3,680,675.00
31 04/17/2031	409,633.92	368,067.50	41,566.42	3,312,607.50
32 07/17/2031	405,892.94	368,067.50	37,825.44	2,944,540.00
33 10/17/2031	402,059.59	368,067.50	33,992.09	2,576,472.50
34 01/17/2032	397,810.58	368,067.50	29,743.08	2,208,405.00
35 04/17/2032	393,284.46	368,067.50	25,216.96	1,840,337.50
36 07/17/2032	389,081.63	368,067.50	21,014.13	1,472,270.00
37 10/17/2032	385,063.55	368,067.50	16,996.05	1,104,202.50
38 01/17/2033	380,814.53	368,067.50	12,747.03	736,135.00
39 04/17/2033	376,380.78	368,067.50	8,313.28	368,067.50
40 07/17/2033	372,270.33	368,067.50	4,202.83	0.00
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	18,182,688.58	14,722,700.00	3,459,988.58	