

## THE REGIONAL MUNICIPALITY OF YORK

### BYLAW NO. 2018-54

To authorize the borrowing upon amortizing debentures in the principal amount of \$26,000,000.00 towards the cost of a certain capital work of The Corporation of the Town of Newmarket set out in Schedule "A" to this Bylaw.

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 Act also provides that a municipality shall authorize long-term borrowing by the issue of debentures or through another municipality under section 403 or 404 of the Act;

AND WHEREAS section 403 of the Act provides that a by-law of an upper-tier municipality authorizing the issuing of debentures for the purposes or joint purposes of one or more of its lower-tier municipalities may require those lower-tier municipalities to make payments in each year to the upper-tier municipality in the amounts and on the dates specified in the by-law and subsection 403 (7) of the Act provides that all debentures issued under a by-law passed by an upper-tier municipality under section 403 of the Act are direct, joint and several obligations of the upper-tier municipality and its lower-tier municipalities;

AND WHEREAS the Council of The Corporation of the Town of Newmarket (the "Municipality"), which is a lower-tier municipality forming part of The Regional Municipality of York (hereinafter called the "Upper-tier Municipality"), has passed the By-law enumerated in column (1) of Schedule "A" attached hereto and forming part of this By-law authorizing the capital work described in column (2) of Schedule "A" (the "Capital Work"), and authorizing the entering into of a Financing Agreement dated effective as of the 1st day of June, 2018 for the provision of long-term borrowing from Ontario Infrastructure and Lands Corporation ("OILC") in respect of the Capital Work (the "Financing Agreement");

AND WHEREAS the Upper-tier Municipality has passed a By-law to authorize submitting an application to OILC for financing the Capital Work and to authorize long-term borrowing for the Capital Work through the issue of debentures to OILC;

AND WHEREAS the Council of the Upper-tier Municipality has received a request from the Council of the Municipality to borrow money for the purpose of providing long-term financing for the Capital Work pursuant to the Financing Agreement and to issue debentures for the Capital Work in the amount specified in column (5) of Schedule "A";

AND WHEREAS before authorizing the Capital Work 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 in accordance with the applicable regulation and, prior to the Council of the Municipality authorizing the Capital Work the Treasurer determined that the estimated annual amount payable in respect of the Capital Work would not cause the Municipality to exceed the updated limit and that the approval of the Capital Work by the Local Planning Appeal Tribunal pursuant to such regulation was not required;

AND WHEREAS the Upper-tier Municipality has submitted an application to OILC for long-term borrowing through the issue of debentures to OILC in respect of the Capital Work (the "Application") and the Application has been approved; it is now deemed to be expedient to borrow money by the issue of amortizing debentures in the principal amount of \$26,000,000.00 dated July 16, 2018 and maturing on July 16, 2048, and payable in semi-annual instalments of combined principal and interest on the 16th day of January and on the 16th day of July, in each of the years 2019 to 2048, both inclusive on the terms hereinafter set forth;

NOW THEREFORE, the Council of The Regional Municipality of York hereby enacts as follows:

1. For the Capital Work, the borrowing upon the credit of the Upper-tier Municipality at large of the principal amount of \$26,000,000.00 and the issue of amortizing debentures therefor to be repaid in semi-annual instalments of combined principal and interest as hereinafter set forth, are hereby authorized.
2. The Regional Chair and the Commissioner of Finance and Treasurer of the Upper-tier Municipality are hereby authorized to cause any number of amortizing debentures to be issued for such amounts of money as may be required for the Capital Work in definitive form, not exceeding in total the said principal amount of \$26,000,000.00 (the "Debentures"). The Debentures shall bear the Upper-tier Municipality's municipal seal and the signatures of the Regional Chair and the Commissioner of Finance and Treasurer of the Upper-tier Municipality, all in accordance with the provisions of the Act. The municipal seal of the Upper-tier Municipality and the signatures referred to in this section may be printed, lithographed, engraved or otherwise mechanically reproduced. 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 principal amount of \$26,000,000.00, 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 Upper-tier 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, as security for the payment by the Upper-tier Municipality of the indebtedness of the Upper-tier Municipality to OILC under the Debentures (the "Obligations"), the Upper-tier Municipality is hereby authorized to agree in writing with OILC that the Minister of

Finance is entitled, without notice to the Upper-tier Municipality or the Municipality, as appropriate, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Upper-tier Municipality or the Municipality, as appropriate, amounts not exceeding the amounts that the Upper-tier Municipality or the Municipality fails to pay OILC on account of the Obligations and to pay such amounts to OILC from the Consolidated Revenue Fund.

5. The Debentures shall all be dated the 16th day of July, 2018, 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 3.49% per annum and mature during a period of 30 years from the date thereof payable semi-annually in arrears as described in this section. The Debentures shall be paid in full by July 16, 2048 and be payable in equal semi-annual instalments of combined principal and interest on the 16th day of January and on the 16th day of July, in each of the years 2019 to 2048, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments, as set forth in Schedule "C" attached hereto and forming part of this By-law ("Schedule "C").
6. Payments in respect of principal of and interest on the Debentures shall be made only on a day on which banking institutions in Toronto, Ontario, are not authorized or obligated by law or executive order to be closed (a "Toronto Business Day") and if any date for payment is not a Toronto Business Day, payment shall be made on the next following Toronto 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 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 Upper-tier 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 Upper-tier 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 semi-annual 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 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.

8. a. In each year in which a payment of equal semi-annual instalments of combined principal and interest becomes due in respect of the Capital Work including the last

'non-equal' instalment, there shall be raised as part of the Upper-tier Municipality's general upper-tier levy the amounts of principal and interest payable by the Upper-tier 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. Without limiting the generality of the foregoing, the Municipality, as defined in the fifth recital above, shall pay the aforesaid yearly amounts as set out in Schedule "C" to the Upper-tier Municipality one Business Day before the date payment is due. The amounts required to be paid to the Upper-tier Municipality in accordance with Schedule "C" shall constitute a debt of the Municipality to the Upper-tier Municipality and such amounts shall, when combined with any amount payable by the Upper-tier Municipality in the year for repayment of the debt for which the Debentures are to be issued, be sufficient to meet the total amount of principal and interest payable in the year by the Upper-tier Municipality in respect of the Debentures, all in accordance with the provisions of this By-law and the Act.

b. If the Municipality fails to make any payment or portion of it as provided in this By-law, the Municipality shall pay interest to the Upper-tier Municipality on the amount in default at the rate of 15% per annum, from the date the payment is due until it is made.

c. There shall be raised, for the Capital Work, pursuant to this By-law, in each year of the currency of the Debentures, as part of the general upper-tier levy, the amounts required to be paid to the Upper-tier Municipality in any previous year by the Municipality to the extent that the amounts have not been paid to the Upper-tier Municipality in accordance with this By-law and the Act.

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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier Municipality.

12. The Debentures will be transferable or exchangeable at the office of the Treasurer of the Upper-tier Municipality upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the Upper-tier 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 Regional Chair and the Treasurer shall issue and deliver a new Debenture or Debentures of an equal 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 Regional Chair 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 Upper-tier 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 Upper-tier Municipality in its discretion; and (c) surrendered to the Upper-tier 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 Upper-tier Municipality. When any of the Debentures are surrendered for transfer or exchange the Treasurer of the Upper-tier 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 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 Upper-tier Municipality. When new Debentures are issued in substitution in these circumstances the Upper-tier 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 Regional Chair and the Commissioner of Finance and Treasurer are hereby authorized to cause the Debentures to be issued, one or more of the Clerk and Commissioner of Finance and Treasurer are hereby authorized to generally do all things and to execute all other documents and other papers in the name of the Upper-tier Municipality in order to carry out the issue of the Debentures and the Commissioner of Finance and Treasurer is authorized to affix the Upper-tier Municipality's municipal seal to any of such documents and papers.
19. The money received by the Upper-tier Municipality from the sale of the Debentures, 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 delivered to the Municipality on the basis that the Municipality shall apportion and apply such money to the Capital Work, and to no other purpose except as permitted by the Act.
20. Subject to the Upper-tier Municipality's investment policies and goals, the applicable legislation and the terms and conditions of the Debentures, the Upper-tier 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 Upper-tier Municipality may in its discretion determine.

ENACTED AND PASSED on June 28, 2018

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Regional Clerk

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Regional Chair

*Authorized by Clause 12, Report No. 7 of the Committee of the Whole, adopted by Regional Council at its meeting on April 19, 2018*

**THE REGIONAL MUNICIPALITY OF YORK  
SCHEDULE "A" TO BYLAW NO. 2018-54**

<b>By-law</b>	<b>Project Description</b>	<b>Approved Amount to be Financed Through the Issue of Debentures</b>	<b>Amount of Debentures Previously Issued</b>	<b>Amount of Debentures to be Issued</b>	<b>Term of Years of Debentures</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	
2018-28	Capital costs in connection with the purchase of land (Mulock Estate) for municipal purposes	26,000,000.00	Nil	26,000,000.00	30
	<b>TOTAL</b>	<b>26,000,000.00</b>		<b>26,000,000.00</b>	

**THE REGIONAL MUNICIPALITY OF YORK  
SCHEDULE "B" TO BYLAW NO. 2018-54**

No. GSF2018-01-30

\$26,000,000.00

C A N A D A

Province of Ontario

THE REGIONAL MUNICIPALITY OF YORK

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FULLY REGISTERED 3.49% AMORTIZING DEBENTURE

THE REGIONAL MUNICIPALITY OF YORK (the "Upper-tier 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 Upper-tier Municipality and OILC) by the maturity date of this debenture (July 16, 2048), the principal amount of

TWENTY-SIX MILLION DOLLARS

----- (\$26,000,000.00) -----

by equal semi-annual instalments of combined principal and interest on the 16th day of January and on the 16th day of July, in each of the years 2019 to 2048, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments, in the amounts set forth in the attached Loan Amortization 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 semi-annual payments from the closing date (July 16, 2018), or from the last date on which interest has been paid on this debenture, whichever is later, at the rate of 3.49% 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 Upper-tier 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 Upper-tier Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Upper-tier Municipality, amounts not exceeding any amounts that the Upper-tier Municipality fails to pay OILC on account of indebtedness evidenced by this debenture, and to pay such amounts to OILC from the Consolidated Revenue Fund.

This debenture is subject to the Conditions.

DATED at the Regional Municipality of York as at the 16th day of July, 2018.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 2018-● of the Upper-tier Municipality duly passed on the 28th day of June, 2018 (the "By-law"), this debenture is sealed with the municipal seal of the Upper-tier Municipality and signed by the Regional Chair and by the Commissioner of Finance and Treasurer thereof.

Date of Registration: July 16, 2018

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(Seal)

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Wayne Emmerson, Regional Chair

Laura Mirabella, Commissioner of Finance and  
Treasurer



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

LOAN AMORTIZATION SCHEDULE

Loan.....: 1971  
 Name.....: The Regional Municipality of York (The Corporation of the Town of Newmarket)  
 Principal: \$26,000,000.00  
 Rate.....: 03.4900%  
 Term.....: 360  
  
 Matures...: 07/16/2048

Pay #	Date	Amount Due	Principal Due	Interest Due	Rem. Principal
		\$	\$	\$	\$
1	01/16/2019	702,510.10	248,810.10	453,700.00	25,751,189.90
2	07/16/2019	702,510.10	253,151.84	449,358.26	25,498,038.06
3	01/16/2020	702,510.10	257,569.34	444,940.76	25,240,468.72
4	07/16/2020	702,510.10	262,063.92	440,446.18	24,978,404.80
5	01/16/2021	702,510.10	266,636.94	435,873.16	24,711,767.86
6	07/16/2021	702,510.10	271,289.75	431,220.35	24,440,478.11
7	01/16/2022	702,510.10	276,023.76	426,486.34	24,164,454.35
8	07/16/2022	702,510.10	280,840.37	421,669.73	23,883,613.98
9	01/16/2023	702,510.10	285,741.04	416,769.06	23,597,872.94
10	07/16/2023	702,510.10	290,727.22	411,782.88	23,307,145.72
11	01/16/2024	702,510.10	295,800.41	406,709.69	23,011,345.31
12	07/16/2024	702,510.10	300,962.12	401,547.98	22,710,383.19
13	01/16/2025	702,510.10	306,213.91	396,296.19	22,404,169.28
14	07/16/2025	702,510.10	311,557.35	390,952.75	22,092,611.93
15	01/16/2026	702,510.10	316,994.02	385,516.08	21,775,617.91
16	07/16/2026	702,510.10	322,525.57	379,984.53	21,453,092.34
17	01/16/2027	702,510.10	328,153.64	374,356.46	21,124,938.70
18	07/16/2027	702,510.10	333,879.92	368,630.18	20,791,058.78
19	01/16/2028	702,510.10	339,706.12	362,803.98	20,451,352.66
20	07/16/2028	702,510.10	345,634.00	356,876.10	20,105,718.66
21	01/16/2029	702,510.10	351,665.31	350,844.79	19,754,053.35
22	07/16/2029	702,510.10	357,801.87	344,708.23	19,396,251.48
23	01/16/2030	702,510.10	364,045.51	338,464.59	19,032,205.97
24	07/16/2030	702,510.10	370,398.11	332,111.99	18,661,807.86
25	01/16/2031	702,510.10	376,861.55	325,648.55	18,284,946.31
26	07/16/2031	702,510.10	383,437.79	319,072.31	17,901,508.52
27	01/16/2032	702,510.10	390,128.78	312,381.32	17,511,379.74
28	07/16/2032	702,510.10	396,936.52	305,573.58	17,114,443.22
29	01/16/2033	702,510.10	403,863.07	298,647.03	16,710,580.15
30	07/16/2033	702,510.10	410,910.48	291,599.62	16,299,669.67
31	01/16/2034	702,510.10	418,080.86	284,429.24	15,881,588.81
32	07/16/2034	702,510.10	425,376.38	277,133.72	15,456,212.43
33	01/16/2035	702,510.10	432,799.19	269,710.91	15,023,413.24
34	07/16/2035	702,510.10	440,351.54	262,158.56	14,583,061.70

35	01/16/2036	702,510.10	448,035.67	254,474.43	14,135,026.03
36	07/16/2036	702,510.10	455,853.90	246,656.20	13,679,172.13
37	01/16/2037	702,510.10	463,808.55	238,701.55	13,215,363.58
38	07/16/2037	702,510.10	471,902.01	230,608.09	12,743,461.57
39	01/16/2038	702,510.10	480,136.70	222,373.40	12,263,324.87
40	07/16/2038	702,510.10	488,515.08	213,995.02	11,774,809.79
41	01/16/2039	702,510.10	497,039.67	205,470.43	11,277,770.12
42	07/16/2039	702,510.10	505,713.01	196,797.09	10,772,057.11
43	01/16/2040	702,510.10	514,537.70	187,972.40	10,257,519.41
44	07/16/2040	702,510.10	523,516.39	178,993.71	9,734,003.02
45	01/16/2041	702,510.10	532,651.75	169,858.35	9,201,351.27
46	07/16/2041	702,510.10	541,946.52	160,563.58	8,659,404.75
47	01/16/2042	702,510.10	551,403.49	151,106.61	8,108,001.26
48	07/16/2042	702,510.10	561,025.48	141,484.62	7,546,975.78
49	01/16/2043	702,510.10	570,815.37	131,694.73	6,976,160.41
50	07/16/2043	702,510.10	580,776.10	121,734.00	6,395,384.31
51	01/16/2044	702,510.10	590,910.64	111,599.46	5,804,473.67
52	07/16/2044	702,510.10	601,222.03	101,288.07	5,203,251.64
53	01/16/2045	702,510.10	611,713.36	90,796.74	4,591,538.28
54	07/16/2045	702,510.10	622,387.76	80,122.34	3,969,150.52
55	01/16/2046	702,510.10	633,248.42	69,261.68	3,335,902.10
56	07/16/2046	702,510.10	644,298.61	58,211.49	2,691,603.49
57	01/16/2047	702,510.10	655,541.62	46,968.48	2,036,061.87
58	07/16/2047	702,510.10	666,980.82	35,529.28	1,369,081.05
59	01/16/2048	702,510.10	678,619.64	23,890.46	690,461.41
60	07/16/2048	702,509.96	690,461.41	12,048.55	0.00
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		42,150,605.86	26,000,000.00	16,150,605.86	

LEGAL OPINION

We have examined the By-law of the Upper-tier Municipality authorizing the issue of amortizing debentures in the principal amount of \$26,000,000.00 dated July 16, 2018 and maturing on July 16, 2048 payable in equal semi-annual instalments of combined principal and interest on the 16th day of January and on the 16th day of July, in each of the years 2019 to 2048, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments 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 Upper-tier Municipality. The debenture issued under the By-law in the within form (the "Debenture") is the direct, general, unsecured, unsubordinated, joint and several obligation of the Upper-tier Municipality and of its lower-tier municipalities (the "Lower-tier Municipalities"). The Debenture is enforceable against the Upper-tier Municipality and the Lower-tier Municipalities subject to the special jurisdiction and powers of the Local Planning Appeal Tribunal over defaulting municipalities under the *Municipal Affairs Act*, as amended. This opinion is subject to and incorporates all the assumptions, qualifications and limitations set out in our opinion letter.

July 16, 2018

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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, unsubordinated, joint and several obligations of the Upper-tier Municipality and of its Lower-tier Municipalities. The Debentures rank concurrently and equally in respect of payment of principal and interest with all other debentures of the Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier 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 Upper-tier Municipality.

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

6. The record date for purposes of payment of principal of 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 Upper-tier Municipality to the persons registered as holders in the registry on the relevant record date. The Upper-tier 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 Upper-tier Municipality shall make all payments in respect of equal semi-annual instalments of combined principal and interest including the last 'non-equal' instalment on the Debentures on the 16th day of January and the 16th day of July, 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 Upper-tier Municipality and the registered holder may agree.
8. The Upper-tier 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 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 Upper-tier 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 semi-annual 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 on which banking institutions in Toronto, Ontario, are not

authorized or obligated by law or executive order to be closed (a “**Toronto Business Day**”), and if any date for payment is not a Toronto Business Day, payment shall be made on the next following Toronto Business Day as noted on the Amortization Schedule.

11. The Debentures are transferable or exchangeable at the office of the Commissioner of Finance and Treasurer of the Upper-tier Municipality upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the Upper-tier 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 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 Upper-tier 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 Upper-tier 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 Upper-tier Municipality in its discretion; and (c) surrendered to the Upper-tier 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 Upper-tier Municipality. When any of the Debentures are surrendered for transfer or exchange the Commissioner of Finance and Treasurer of the Upper-tier

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 Upper-tier Municipality. When new Debentures are issued in substitution in these circumstances the Upper-tier 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 financing agreement entered into between the Upper-tier Municipality and OILC, pursuant to which the Debentures are issued, OILC, at its discretion, shall assess any losses that it may incur as a result of the termination as follows: if on the date of termination the outstanding principal balance on the Debentures is less than the net present value of the Debentures, the Upper-tier Municipality shall pay the difference between these two amounts to OILC.

### **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 Upper-tier 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 Toronto Business Day (as defined in section 10 of these Conditions) then such notice may be given on the next following Toronto 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.

**THE REGIONAL MUNICIPALITY OF YORK  
SCHEDULE "C" TO BYLAW NO. 2018-54**

Loan Amortization Schedule

Loan.....: 1971  
 Name.....: The Regional Municipality of York (The Corporation of the Town of Newmarket)  
 Principal: \$26,000,000.00  
 Rate.....: 03.4900%  
 Term.....: 360

Matures...: 07/16/2048

Pay #	Date	Amount Due	Principal Due	Interest Due	Rem. Principal
		\$	\$	\$	\$
1	01/16/2019	702,510.10	248,810.10	453,700.00	25,751,189.90
2	07/16/2019	702,510.10	253,151.84	449,358.26	25,498,038.06
3	01/16/2020	702,510.10	257,569.34	444,940.76	25,240,468.72
4	07/16/2020	702,510.10	262,063.92	440,446.18	24,978,404.80
5	01/16/2021	702,510.10	266,636.94	435,873.16	24,711,767.86
6	07/16/2021	702,510.10	271,289.75	431,220.35	24,440,478.11
7	01/16/2022	702,510.10	276,023.76	426,486.34	24,164,454.35
8	07/16/2022	702,510.10	280,840.37	421,669.73	23,883,613.98
9	01/16/2023	702,510.10	285,741.04	416,769.06	23,597,872.94
10	07/16/2023	702,510.10	290,727.22	411,782.88	23,307,145.72
11	01/16/2024	702,510.10	295,800.41	406,709.69	23,011,345.31
12	07/16/2024	702,510.10	300,962.12	401,547.98	22,710,383.19
13	01/16/2025	702,510.10	306,213.91	396,296.19	22,404,169.28
14	07/16/2025	702,510.10	311,557.35	390,952.75	22,092,611.93
15	01/16/2026	702,510.10	316,994.02	385,516.08	21,775,617.91
16	07/16/2026	702,510.10	322,525.57	379,984.53	21,453,092.34
17	01/16/2027	702,510.10	328,153.64	374,356.46	21,124,938.70
18	07/16/2027	702,510.10	333,879.92	368,630.18	20,791,058.78
19	01/16/2028	702,510.10	339,706.12	362,803.98	20,451,352.66
20	07/16/2028	702,510.10	345,634.00	356,876.10	20,105,718.66
21	01/16/2029	702,510.10	351,665.31	350,844.79	19,754,053.35
22	07/16/2029	702,510.10	357,801.87	344,708.23	19,396,251.48
23	01/16/2030	702,510.10	364,045.51	338,464.59	19,032,205.97
24	07/16/2030	702,510.10	370,398.11	332,111.99	18,661,807.86
25	01/16/2031	702,510.10	376,861.55	325,648.55	18,284,946.31
26	07/16/2031	702,510.10	383,437.79	319,072.31	17,901,508.52
27	01/16/2032	702,510.10	390,128.78	312,381.32	17,511,379.74
28	07/16/2032	702,510.10	396,936.52	305,573.58	17,114,443.22
29	01/16/2033	702,510.10	403,863.07	298,647.03	16,710,580.15
30	07/16/2033	702,510.10	410,910.48	291,599.62	16,299,669.67

31	01/16/2034	702,510.10	418,080.86	284,429.24	15,881,588.81
32	07/16/2034	702,510.10	425,376.38	277,133.72	15,456,212.43
33	01/16/2035	702,510.10	432,799.19	269,710.91	15,023,413.24
34	07/16/2035	702,510.10	440,351.54	262,158.56	14,583,061.70
35	01/16/2036	702,510.10	448,035.67	254,474.43	14,135,026.03
36	07/16/2036	702,510.10	455,853.90	246,656.20	13,679,172.13
37	01/16/2037	702,510.10	463,808.55	238,701.55	13,215,363.58
38	07/16/2037	702,510.10	471,902.01	230,608.09	12,743,461.57
39	01/16/2038	702,510.10	480,136.70	222,373.40	12,263,324.87
40	07/16/2038	702,510.10	488,515.08	213,995.02	11,774,809.79
41	01/16/2039	702,510.10	497,039.67	205,470.43	11,277,770.12
42	07/16/2039	702,510.10	505,713.01	196,797.09	10,772,057.11
43	01/16/2040	702,510.10	514,537.70	187,972.40	10,257,519.41
44	07/16/2040	702,510.10	523,516.39	178,993.71	9,734,003.02
45	01/16/2041	702,510.10	532,651.75	169,858.35	9,201,351.27
46	07/16/2041	702,510.10	541,946.52	160,563.58	8,659,404.75
47	01/16/2042	702,510.10	551,403.49	151,106.61	8,108,001.26
48	07/16/2042	702,510.10	561,025.48	141,484.62	7,546,975.78
49	01/16/2043	702,510.10	570,815.37	131,694.73	6,976,160.41
50	07/16/2043	702,510.10	580,776.10	121,734.00	6,395,384.31
51	01/16/2044	702,510.10	590,910.64	111,599.46	5,804,473.67
52	07/16/2044	702,510.10	601,222.03	101,288.07	5,203,251.64
53	01/16/2045	702,510.10	611,713.36	90,796.74	4,591,538.28
54	07/16/2045	702,510.10	622,387.76	80,122.34	3,969,150.52
55	01/16/2046	702,510.10	633,248.42	69,261.68	3,335,902.10
56	07/16/2046	702,510.10	644,298.61	58,211.49	2,691,603.49
57	01/16/2047	702,510.10	655,541.62	46,968.48	2,036,061.87
58	07/16/2047	702,510.10	666,980.82	35,529.28	1,369,081.05
59	01/16/2048	702,510.10	678,619.64	23,890.46	690,461.41
60	07/16/2048	702,509.96	690,461.41	12,048.55	0.00
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		42,150,605.86	26,000,000.00	16,150,605.86	