WHEREAS the Municipal Act, 2001 (Ontario), as amended, (the “Act”) provides that a municipal power shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

AND WHEREAS the Council of the Municipality has passed the by-laws enumerated in column (1) of Schedule “A” attached hereto and forming part of this By-law (“Schedule “A””) authorizing the capital works described in column (2) of Schedule “A” (individually a “Project”, collectively the “Projects”) in the amount of the respective estimated expenditure set out in column (3) of Schedule “A”;

AND WHEREAS before the Council of the Municipality approved each Project in accordance with section 4 of Ontario Regulation 403/02, the Council of the Municipality had its Treasurer update its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the “Updated Limit”), and, on the basis of the authorized expenditure for each Project as set out in column (3) of Schedule “A” (“Authorized Expenditure”), the Treasurer calculated the estimated annual amount payable in respect of each Project and determined that the estimated annual amount payable in respect of each Project does not exceed the Updated Limit, and accordingly the approval of the Ontario Municipal Board under the Ontario Municipal Board Act (Ontario), as amended, was not required before any such Project was authorized by Council;

AND WHEREAS subsection 405 (1) of the Act provides that a municipality may authorize temporary borrowing to meet expenditures made in connection with a work to be financed in whole or in part by the issue of debentures if,

(a) the municipality is an upper-tier municipality, a lower-tier municipality in a county or a single-tier municipality and it has approved the issue of debentures for the work;

(b) the municipality is a lower-tier municipality in a regional municipality and it has approved the work and the upper-tier municipality has approved the issue of debentures for the work; or

(c) the municipality has approved the issue of debentures for another municipality or a school board under section 404;

AND WHEREAS subsection 405(4) of the Act provides that a municipality may delegate the power set out in subsection 405(1) to the head of council, to the treasurer, or to both of them;

AND WHEREAS subsection 401(1) of 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 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 OIPC has invited Ontario municipalities desirous of obtaining temporary and long term debt financing in order to meet capital expenditures incurred after December 31, 2003 in connection with eligible capital projects to make application to OIPC for such financing by completing and submitting an application on the form provided by OIPC (the “Application”);

AND WHEREAS the Municipality has submitted an Application to OIPC to request financing in order to meet capital expenditures incurred in connection with the Projects after December 31, 2003 (the “Post 2003 Expenditures”) by way of long term borrowing through the issue of debentures to OIPC and by way of temporary borrowing from OIPC pending the issue of such debentures;

AND WHEREAS OIPC has accepted and has approved the Municipality’s Application;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF PETERBOROUGH ENACTS AS FOLLOWS:

1. The Council of the Municipality hereby confirms, ratifies and approves the completion by the Treasurer of an Application and the submission by such authorized official of an Application, duly executed by such authorized official, to OIPC for the financing of Post 2003 Expenditures for the Projects in the maximum aggregate principal amount of $7,876,800 substantially in the form of Schedule “B” hereto and forming part of this By-law, with such changes thereon as such authorized official approved.

2. The Mayor and the Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Municipality a financing agreement (a “Financing Agreement”) with OIPC that provides for temporary and long term borrowing from OIPC in respect of Post 2003 Expenditures for the Projects on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.

3. The Mayor and/or the Treasurer are hereby authorized, pending the substantial completion of a Project or as otherwise agreed with OIPC, to make temporary borrowings pursuant to section 405 of the Act in order to meet Post 2003 Expenditures, on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree, and to sign such evidence of indebtedness as OIPC may require (a “Note”); and the Treasurer is authorized to sign such certifications as OIPC may require in connection with such borrowings in respect of each Project; provided that the amount of borrowings allocated to any Project does not exceed the Authorized Expenditure for such Project and does not exceed the loan amount set out in column (4) of Schedule “A” in respect of each Project.

4. Subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OIPC may otherwise require, the Mayor and the Treasurer are hereby authorized to enter into long term borrowing in respect of the Projects and to issue debentures to OIPC on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree (“Debentures”); provided that the principal amount of such Debentures issued in respect of a Project does not exceed the Authorized Expenditure for such Project and does not exceed the loan amount set out in column (4) of Schedule “A” in respect of such Project.

5. In accordance with the provisions of section 18 of the Ontario Infrastructure Projects Corporation Act, 2006 (Ontario), as security for the payment by the Municipality of any indebtedness of the Municipality to OIPC incurred under the Note or any Debentures, the Municipality is hereby authorized to agree in writing with OIPC that the Minister of Finance is entitled to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, or from money appropriated by the Assembly for payment to the Municipality in respect of specified matters, amounts not exceeding the amounts that the Municipality fails to pay to OIPC on account of the outstanding indebtedness evidenced by the Note or any Debentures issued by the Municipality to OIPC, and to pay such amounts to OIPC.
6. For purposes of meeting the obligations of the Municipality in respect of the Note and any Debentures, the Municipality shall provide for raising in each year as part of the general levy, the amounts of principal and interest payable in each year under the Note and any outstanding Debenture, to the extent that such 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.

7. (a) The Mayor and/or the Treasurer are hereby authorized to execute and deliver the Note, the Mayor and the Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement and to cause Debentures to be issued, the Clerk and Treasurer are severally hereby authorized to generally do all things and to execute all other documents and papers in the name of the Municipality in order to perform the obligations of the Municipality under the Financing Agreement and to carry out the issuance of the Note and Debentures and the Treasurer is authorized to affix the Municipality’s municipal seal to any such documents and papers.

(b) The proceeds realized in respect of the Note and Debentures, after providing for the expenses related to their issue, if any, shall be apportioned and applied for the respective Projects and for no other purpose except as permitted by the Act.

8. This By-law takes effect on the day of passing.

By-law read a first, second and third time this 11th day of August, 2008

(Sgd.) D. Paul Ayotte, Mayor

(Sgd.) Nancy Wright-Laking, City Clerk
<table>
<thead>
<tr>
<th>By-Law Number</th>
<th>Description of Capital Work</th>
<th>Estimated Expenditure</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-072</td>
<td>Police Facility Renovation</td>
<td>$6,532,900</td>
<td>$6,322,000</td>
</tr>
<tr>
<td>2005-078</td>
<td>2005 Paving Program</td>
<td>$ 650,000</td>
<td>$ 400,000</td>
</tr>
<tr>
<td>2007-071</td>
<td>2007 Paving Program</td>
<td>$ 500,000</td>
<td>$ 454,800</td>
</tr>
<tr>
<td>2005-076</td>
<td>2005 Sidewalk Program</td>
<td>$ 870,000</td>
<td>$ 700,000</td>
</tr>
</tbody>
</table>
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Application ID: 8039
Program Year: 2008/2009
Application Submit Date: Jul-09-2008

A. GENERAL INFORMATION - Borrowing Municipality

Name: Peterborough C
ID: 15014
City: Peterborough, ON
Postal Code: K9H 3R9

Address: 500 George St. N.

Name of Treasurer(or equivalent): Brian Horton
Title: Senior Director Corporate Services
Telephone Number: 705-742-7777 x1863
Fax No.: 705-748-8839
Email: bhorton@peterborough.ca

B. CONTACT INFORMATION

Questions regarding the information contained in the application form should be addressed to:

Name: Erica Arkell
Title: Financial Analyst, Special Projects
Telephone: 705-742-7777 x1628
Fax No.: 705-748-8839
Email: earkell@peterborough.ca

C. PROJECT SUMMARY INFORMATION

<table>
<thead>
<tr>
<th>No.</th>
<th>Project Name</th>
<th>Category</th>
<th>Type</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Road paving Program</td>
<td>Municipal Roads Infrastructure</td>
<td></td>
<td>$854,800.00</td>
</tr>
<tr>
<td>2</td>
<td>Sidewalk Reconstruction</td>
<td>Public Transit Infrastructure</td>
<td></td>
<td>$700,000.00</td>
</tr>
<tr>
<td>3</td>
<td>Police Facility Renovation</td>
<td>Municipal Other Infrastructure</td>
<td>Police</td>
<td>$6,322,000.00</td>
</tr>
</tbody>
</table>

Total Loan Amount $7,876,800.00
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Project Details - Municipal Roads Infrastructure

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Road paving Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>Municipal Roads Infrastructure</td>
</tr>
<tr>
<td>Construction Start Date</td>
<td>Apr-01-2005</td>
</tr>
<tr>
<td>Construction End Date</td>
<td>Jun-30-2008</td>
</tr>
</tbody>
</table>

Please indicate below if any aspect of the project pertains to:

Energy Conservation:   ☐ Yes   ☑ No

The Municipal Eco Challenge Fund (MECF) is a three year, $20 million grant and $200 million loan initiative to help municipalities reduce Green House Gas (GHG) emissions from their infrastructure.

Please indicate whether the loan is for a project that will reduce energy consumption or GHG emissions from a municipally-owned facility (building, arena, etc.):

☐ Yes   ☑ No

Is this project also being considered for a MECF grant?

☐ Yes   ☑ No

Please provide:

An estimate of the reduction in energy consumption or GHG emissions as a result of the project:

n/a

or

A short description of the energy conservation benefits:

Address of the project: Throughout City

Type of work (e.g. new construction, renovation of existing facilities, redevelopment, deferred maintenance, etc.):

renovation of existing facilities

Description of the project:

Road resurfacing as required on various roads throughout the City.
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Additional comments:

What is the life span of the project in years? (i.e. the physical asset) 12

Please identify your Ministry contact (If applicable)

Ministry: Infrastructure Ontario
Contact Name: Catherine Barr
Contact Phone: 705-745-5005
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Project Information

Project Name: Road paving Program
Category: Municipal Roads Infrastructure

Project Cost (A): $1,150,000.00

Project Funding/Financing

List existing and expected Funding/Financing sources for the project (eg. Reserves, other cash on hand, approved grants, etc.).

<table>
<thead>
<tr>
<th>Source/Description</th>
<th>Timing</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Levy</td>
<td>Existing</td>
<td>$295,200.00</td>
</tr>
</tbody>
</table>

Total Amount (B): $295,200.00

OIPC Loan Amount (A-B): $854,800.00

Please enter your long-term borrowing requirements including the estimated date the funds are required. Only include long-term borrowing in this section. If you anticipate that you will require short-term financing during the construction phase of the project, the information will be gathered as part of the Financing Agreement.

<table>
<thead>
<tr>
<th>Estimated Date Required</th>
<th>Amount</th>
<th>Term (in years)</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-02-2008</td>
<td>$854,800.00</td>
<td>10</td>
<td>Amortizing</td>
</tr>
</tbody>
</table>

Total Long-Term Financing: $854,800.00
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Project Details - Public Transit Infrastructure

Project Name                        Sidewalk Reconstruction
Category                             Public Transit Infrastructure
Construction Start Date               Apr-01-2005
Construction End Date                Jan-03-2006

Please indicate below if any aspect of the project pertains to:

Energy Conservation:  □ Yes  ☑ No

The Municipal Eco Challenge Fund (MECF) is a three year, $20 million grant and $200 million loan initiative to help municipalities reduce Green House Gas (GHG) emissions from their infrastructure.

Please indicate whether the loan is for a project that will reduce energy consumption or GHG emissions from a municipally-owned facility (building, arena, etc.).

□ Yes  ☑ No

Is this project also being considered for an MECF grant?

□ Yes  ☑ No

Please provide:

An estimate of the reduction in energy consumption or GHG emissions as a result of the project.

n/a

or

A short description of the energy conservation benefits.


Address of the project: Throughout City

Type of work (e.g. new construction, renovation of existing facilities, redevelopment, deferred maintenance, etc.): reconstruction of existing sidewalks

Description of the project:
Reconstruct priority sidewalks throughout the City

Additional comments:

What is the life span of the project in years? (i.e. the physical asset) 50

Please identify your Ministry contact (if applicable)

Ministry: Infrastructure Ontario
Contact Name: Catherine Barr
Contact Phone: 705-745-5005
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Project Information

Project Name  Sidewalk Reconstruction
Category       Public Transit Infrastructure

Project Cost (A)  $870,000.00

Project Funding/Financing

List existing and expected Funding/Financing sources for the project (e.g. Reserves, other cash on hand, approved grants, etc.).

<table>
<thead>
<tr>
<th>Source/Description</th>
<th>Timing</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Levy</td>
<td>Existing</td>
<td>$170,000.00</td>
</tr>
</tbody>
</table>

Total Amount (B)  $170,000.00

OIPC Loan Amount (A-B)  $700,000.00

Please enter your long-term borrowing requirements including the estimated date the funds are required. Only include long-term borrowing in this section. If you anticipate that you will require short-term financing during the construction phase of the project, the information will be gathered as part of the Financing Agreement.

<table>
<thead>
<tr>
<th>Estimated Date Required</th>
<th>Amount</th>
<th>Term (in years)</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-02-2008</td>
<td>$700,000.00</td>
<td>10</td>
<td>Amortizing</td>
</tr>
</tbody>
</table>

Total Long-Term Financing  $700,000.00
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Project Details - Municipal Other Infrastructure

Project Name: Police Facility Renovation
Category: Municipal Other Infrastructure
Construction Start Date: Aug-01-2007
Construction End Date: Mar-31-2009

Please indicate the type of infrastructure project. Please select only one:

☐ Fire
☑ Police
☐ Ambulance
☐ Administration
☐ Others

Please indicate below if any aspect of the project pertains to:

Energy Conservation: ☐ Yes ☑ No

The Municipal Eco Challenge Fund (MECF) is a three year, $20 million grant and $200 million loan initiative to help municipalities reduce Green House Gas (GHG) emissions from their infrastructure.

Please indicate whether the loan is for a project that will reduce energy consumption or GHG emissions from a municipally-owned facility (building, arena, etc.).

☐ Yes ☑ No

Is this project also being considered for an MECF grant?

☐ Yes ☑ No

Please provide:

An estimate of the reduction in energy consumption or GHG emissions as a result of the project.

n/a

or

A short description of the energy conservation benefits.
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)

LOAN APPLICATION

Address of the project:                        500 Water St.
                                                  Peterborough, ON

Type of work (e.g. new construction, renovation of existing
facilities, redevelopment, deferred maintenance, etc.):  renovation of existing facilities

Description of the project:

The Police Facility renovation is expected to expand the north-east corner by adding 1,100 sq ft
and alter the existing interior with a major upgrade of some of the architectural, mechanical and
electrical systems and change the existing layout of the building to provide better use.

Additional comments:

What is the life span of the project in years? (i.e. the physical asset)  10

Please identify your Ministry contact (If applicable)

Ministry:  Infrastructure Ontario

Contact Name:  Catherine Barr

Contact Phone:  (705) 745 5005
ONeARIO INFRASTRUCTURE PROOCTS CORPORATION (OIPC)
LOAO APPLIATION

Project Information

Project Name: Police Facility Renovation
Category: Municipal Other Infrastructure

Project Cost (A) $6,532,900.00

Project Funding/Financing

List existing and expected Funding/Financing sources for the project (eg. Reserves, other cash on hand, approved grants, etc.)

<table>
<thead>
<tr>
<th>Source/Description</th>
<th>Timing</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Charge Reserve Fund - Police</td>
<td>Existing</td>
<td>$210,900.00</td>
</tr>
</tbody>
</table>

Total Amount (B) $210,900.00

OIPC Loan Amount (A-B) $6,322,000.00

Please enter your long-term borrowing requirements including the estimated date the funds are required. Only include long-term borrowing in this section. If you anticipate that you will require short-term financing during the construction phase of the project, the information will be gathered as part of the Financing Agreement.

<table>
<thead>
<tr>
<th>Estimated Date Required</th>
<th>Amount</th>
<th>Term (in years)</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep-02-2008</td>
<td>$6,322,000.00</td>
<td>10</td>
<td>Amortizing</td>
</tr>
</tbody>
</table>

Total Long-Term Financing $6,322,000.00
D. DEBT AND REPAYMENT SUMMARY

Financial Information Returns (FIR)

Please be aware that OIPC will be unable to complete the processing of your application until you have filed your most current FIR with the Ministry of Municipal Affairs and Housing. If you have not filed your FIR, you should submit your application to OIPC and send your FIR to MMAH as soon as possible.

ARL

Please provide a copy of the Borrower's most recent ARL issued by MMAH.

Existing Borrowing:

Please provide the following details on the existing debt, including capital leases and unsecured debt.

<table>
<thead>
<tr>
<th>Loan #</th>
<th>Loan Purpose</th>
<th>Initial Amount Borrowed</th>
<th>Amount Outstanding as per Most Recent Audited Financials</th>
<th>Annual Interest Rate (%)</th>
<th>Date Borrowed (mm/dd/yyyy)</th>
<th>Maturity Year</th>
<th>Summary of Existing Pledges, Conditions, Covenants</th>
<th>Payment Type</th>
<th>Periodic Amount Payable</th>
<th>Payment Frequency</th>
</tr>
</thead>
</table>

Please elaborate on re-financing plans and options for any existing "interest only" debt, if applicable

Existing Encumbrances:

Does the Borrower have any existing liens, pledges and any other encumbrances on existing assets?

☐ Yes  ☑ No

If yes, please provide details:

☐ Yes  ☑ No

If yes, please provide details:
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

OIPC Loan Repayment Information

Please indicate the source(s) of revenue you plan to use to repay the OIPC Loan.

<table>
<thead>
<tr>
<th>Source</th>
<th>Contribution to OIPC Loan Payments (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxation</td>
<td>100.00</td>
</tr>
<tr>
<td>User Fees</td>
<td></td>
</tr>
<tr>
<td>Service Charges</td>
<td></td>
</tr>
<tr>
<td>Development Charges</td>
<td></td>
</tr>
<tr>
<td>Connection Fees</td>
<td></td>
</tr>
<tr>
<td>Subsidies</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Description of Other Source

Audited Financial Statements

A copy of the most recent audited financial statements must be attached with this loan application.
E. LITIGATION
Is there any litigation threatened or existing which would affect any projects or substantially impair the Borrower’s ability to pay debt service costs on its general obligation indebtedness? Please indicate Yes or No.

☐ Yes  ☐ No

Please complete the Certificate of Litigation template found under the Forms menu.

F. NON-REPAYMENT OF LOANS OR DEBENTURES
In the last 10 years has the Borrower ever failed to make a loan or debenture repayment on time to any lender, including to the Provincial Government?

☐ Yes  ☐ No

If yes, please provide details. If necessary, attach details.

G. PROVINCIAL GRANTS AS SECURITY
Pursuant to OIPC’s enabling legislation, provincial grants to the Borrower may be appropriated by the Legislative Assembly of Ontario for payment to OIPC to satisfy any outstanding amounts owed by the Borrower to OIPC.

H. ATTACHMENTS
Please ensure all required documents are submitted with the signed application. OIPC requires originals as noted below to be mailed or couriered. Also, please retain a copy of all documents submitted to OIPC for your records.

- Completed application signed and dated by the appropriate individuals (original)
- Certified and sealed copy of OIPC template by-law authorizing project borrowing and applying for a loan (original)
- Certificate of No Litigation using the OIPC template (original)
- OMB approval if exceeding debt repayment limit, if applicable
- Current Audited Financial Statements
- Capital Plan if applicable
- Project management letter

☑ I acknowledge and agree that all of the above referenced documents must be submitted in the form required by OIPC and understand that the application will not be processed until such documents have been fully completed and received by Infrastructure Ontario.
ONTARIO INFRASTRUCTURE PROJECTS CORPORATION (OIPC)
LOAN APPLICATION

Please note: OIPC retains the right to request and review any additional information or documents at its discretion.

☑ I acknowledge that I have read and understood the Project Management and Best Practices Reporting Requirements
I/We acknowledge that a Loan Application has been submitted to Ontario Infrastructure Projects Corporation (OIPC) containing the following information.

<table>
<thead>
<tr>
<th>Eligible Category</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Roads Infrastructure</td>
<td>$854,800.00</td>
</tr>
<tr>
<td>Public Transit Infrastructure</td>
<td>$700,000.00</td>
</tr>
<tr>
<td>Municipal Other Infrastructure</td>
<td>$6,322,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$7,876,800.00</strong></td>
</tr>
</tbody>
</table>

Name of Borrower: Peterborough C  
Address: 500 George St. N.  
Peterborough, ON, K9H 3R9

Name of Treasurer (or equivalent): Brian Horton  
Telephone Number: 705-742-7777 x1863

The undersigned certifies that he/she has read the OSIFA loan program guidelines and all information provided to OIPC is accurate and complete. The undersigned acknowledges that some information provided may be shared with the line ministries to provide technical expertise to OIPC. Applicant agrees to provide OIPC with additional information as required in order to process the loan.

Treasurer's (or equivalent's) Signature: [Signature]  
Date: July 14, 2008