



**City of Kingston  
Report to Council  
Report Number 25-003**

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**To:** Mayor and Members of Council  
**From:** Desirée Kennedy, Chief Financial Officer & City Treasurer  
**Resource Staff:** Lana Foulds, Director, Financial Services  
**Date of Meeting:** October 21, 2025  
**Subject:** Federation of Canadian Municipalities Debenture Issues

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**Council Strategic Plan Alignment:**

Theme: Policies & by-laws

Goal: 2.2 Support climate action and sustainability for residents, businesses and partners.

**Executive Summary:**

The Better Homes Kingston (BHK) program was approved as part of the 2021 capital budget. The energy retrofit program offers eligible homeowners support through both grants and loans, funded 80% by FCM and 20% by City. On February 15, 2022, through [Report Number 22-078](#) (pages 252-256), Council approved the issuance of up to \$10M of debt financing from the Federation of Canadian Municipalities (FCM) to support FCM's share of the loans eligible to homeowners. The purpose of this report is to recommend that Council formally authorize the issuance of the required debentures in accordance with the approved funding related to the Better Homes Kingston project.

Council previously approved 339 homeowner agreements by by-law for total homeowner loans of \$7,006,000. Total debt financing from FCM of \$5,749,188 is being recommended to support the associated homeowner loans. Debenture payments to FCM will be offset by the receipt of homeowner repayments as per individual homeowner agreements. The amount being borrowed has been considered as part of the city's debt limits and total long-term debt remains within recommended debt level parameters.

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**Recommendation:**

**That** a draft by-law, attached as Exhibit A to Report Number 25-003, be presented to Council and given three readings to authorize the borrowing upon debentures in the principal amount of \$5,749,188 for a 20-year term towards the cost of the Better Homes Kingston homeowner loans; and

**That** Council authorize the Chief Financial Officer and City Treasurer to execute, on behalf of the municipality, all documents required to issue debentures to the Federation of Canadian Municipalities for the Better Homes Kingston program.

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**Authorizing Signatures:**

ORIGINAL SIGNED BY CHIEF

FINANCIAL OFFICER & CITY TREASURER

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**Desiree Kennedy, Chief  
Financial Officer & City  
Treasurer**

ORIGINAL SIGNED BY CHIEF

ADMINISTRATIVE OFFICER

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**Lanie Hurdle, Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Paige Agnew, Commissioner, Growth & Development Services

Jennifer Campbell, Commissioner, Community Services Not required

Neil Carbone, Commissioner, Corporate & Emergency Services Not required

David Fell, President & CEO, Utilities Kingston Not required

Jenna Morley, City Solicitor

Ian Semple, Commissioner, Transportation & Infrastructure Services Not required

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**Options/Discussion:****Background**

The City issues debentures in accordance with budget authorization. On February 15, 2022, through [Report Number 22-078](#), Council approved the issuance of up to \$10M of debt financing from the Federation of Canadian Municipalities (FCM) to support FCM's share of eligible loans to homeowners through the Better Homes Kingston (BHK) project. In order to execute funding arrangements with homeowners, FCM confirmed that they required the City to issue formal debentures of up to \$10M in order to support the homeowner loan financing coming from FCM. This report recommends the necessary borrowing by-law to authorize the debenture terms and secure the permanent financing.

Council previously approved 339 homeowner agreements by by-law for total homeowner loans of \$7,006,000. Total debentures of \$5,749,188 are now required to fund these homeowner loans. The debentures represent approximately 80 per cent of homeowner loans and are interest free and repayable to FCM over a 20-year term. Debenture payments to FCM will be offset by the receipt of homeowner repayments as per individual homeowner agreements with the objective of aligning the timing of homeowner payments with FCM debenture payments as closely as possible. The city's portion of the loans has been financed through internal cash flow from the general fund and will also be recovered from homeowner loan repayments.

**Climate Risk Considerations**

The BHK program is providing interest free loans to homeowners to make energy saving improvements to their homes which will reduce Greenhouse Gases (GHG) emissions. Detailed program information can be found through the EITP-21-007 report.

**Existing Policy/By-Law**

By-law 2021-32 – 2021 General Municipal Capital Budget and the 2021 Municipal Utility Capital Budgets

**Financial Considerations**

The Better Homes Kingston program was approved as part of the 2021 capital budget with an amendment to the funding on February 15, 2022. Up to \$10M of debenture financing from FCM was approved by Council through Report 22-078. The city's total long-term debt remains within recommended debt level parameters.

**Contacts:**

Lana Foulds, Director, Financial Services, 613-546-4291 extension 2209

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**Other City of Kingston Staff Consulted:**

Julie Salter-Keane, Manager, Climate Leadership

Soren Christianson, Project Manager, Climate Leadership

Andrew Reeson, Senior Legal Counsel

**Exhibits Attached:**

Exhibit A – Draft Borrowing By-Law

# City of Kingston By-Law Number 2025–XX

## *A By-Law to Borrow Money from the Federation of Canadian Municipalities for Municipal Purposes*

1<sup>st</sup> Reading                      October 21, 2025

2<sup>nd</sup> Reading                      October 21, 2025

3<sup>rd</sup> Reading                      October 21, 2025

Passed                              date

# **City of Kingston By-Law Number 2025–XX**

## ***A By-Law to Borrow Money from the Federation of Canadian Municipalities for Municipal Purposes***

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# City of Kingston By-Law Number 2025–XX

## ***A By-Law to Borrow Money from the Federation of Canadian Municipalities for Municipal Purposes***

### **Whereas:**

The *City* is a single-tier municipality incorporated pursuant to an order made under section 25.2 of the *Municipal Act*, R.S.O. 1990, c. M.45.

The powers of a municipality must be exercised by its council (*Municipal Act, 2001*, S.O. 2001, c. 25 (the “***Municipal Act, 2001***”), s. 5 (1)).

Subsection 5 (3) of the *Municipal Act, 2001* provides that a municipal power must be exercised by by-law unless the municipality is specifically authorized to do otherwise (*Municipal Act, 2001*, s. 5 (3)).

A single tier municipality may provide any service or thing that the municipality considers necessary or desirable for the public (*Municipal Act, 2001*, s. 10 (1)).

A single-tier municipality may pass by-laws respecting economic, social and environmental well-being of the municipality, including respecting climate change (*Municipal Act, 2001*, s. 10 (2)).

A municipality may delegate its powers and duties under the *Municipal Act, 2001* to a person or body subject to the restrictions set out in Part II of the *Municipal Act, 2001* (*Municipal Act, 2001*, s. 23.2 (1)).

Subject to the *Municipal Act, 2001* or any other Act, 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 financial agreements for or in relation to the debt (*Municipal Act, 2001*, s. 401 (1)).

*Council* passed the by-laws enumerated in Column 1 of **Schedule A** authorizing the capital works described in Column 2 of **Schedule A** (the “***capital works***”) and authorizing, among other things, entering a combined loan and grant agreement, dated December 22, 2021, to borrow money from the Federation of Canadian Municipalities, in its capacity as trustee of the Green Municipal Fund, (the “***FCM***”) for the purpose of the ***capital works*** (the “***financing agreement***”).

*Borrowing From FCM By-Law*

Before authorizing the *capital works*, the treasurer for the *City* updated the *City's* most recent annual debt and financial limit received from the Ministry of Municipal Affairs and Housing in accordance with the applicable regulations and, prior to authorizing the *capital works*, the treasurer determined that the estimated annual amount payable in respect of the *capital works* would not cause the *City* to exceed the updated limit and that approval of the *capital works* by the Ontario Land Tribunal was not required.

A. *Council* considers it necessary and desirable for the public to issue zero per cent amortizing debentures in the principal amount of \$5,749,188 for the purpose of providing long-term financing for the *capital works* on the terms set out below.

Therefore, *council* enacts:

**1. Interpretation**

1.1 This by-law may be cited as the *Borrowing From FCM By-Law*.

1.2 In this by-law:

“**business day**” means a day on which banking institutions in Ottawa, Ontario are not authorized or obligated by law or executive order to be closed;

“**City**” means The Corporation of the City of Kingston;

“**clerk**” means the person appointed by the *City* as clerk and includes the *clerk's* designate;

“**council**” means the council of the *City*;

“**mayor**” means the head of *council*;

“**Municipal Act, 2001**” means the *Municipal Act, 2001*, S.O. 2001, c.25; and

“**treasurer**” means the person appointed by the *City* as treasurer and includes the *treasurer's* designate;

1.3 For the purposes of interpreting this by-law:

(a) a reference to any legislation, regulation, or by-law or to a provision thereof includes a reference to any legislation, regulation or by-law enacted, made or passed in substitution thereof or amendment thereof;

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- (b) any reference to legislation includes all of the regulations made thereunder;
- (c) all dollar amounts are expressed in Canadian dollars and are payable in Canadian dollars;
- (d) “include”, “includes” and “including” indicate that the subsequent list is not exhaustive; and
- (e) “to provide” includes to furnish, to offer, to perform, and to solicit, and “providing” and “provision” have corresponding meanings.

**2. Administration**

- 2.1 The *City* may, for the purpose of the *capital works*, borrow upon the *City*'s credit the principal sum of \$5,749,188 and may issue debentures therefore to be repaid in semi-annual instalments of combined (blended) principal and interest, but for the first instalment consisting of interest only.
- 2.2 The *mayor* and the *treasurer* may cause any number of amortizing debentures to be issued up to the aggregate of \$5,749,188 substantially in the form attached as **Schedule B** (the “*debentures*”).
- 2.3 The *debentures* will:
  - (a) bear the *City*'s municipal seal and the *mayor's* and *treasurer's* signatures, any of which may be printed, lithographed, engraved or otherwise mechanically reproduced.
  - (b) be in fully registered form as one or more certificates in the aggregate principal amount of \$5,749,188 in the name of *Federation of Canadian Municipalities* or as *FCM* otherwise directs.
  - (c) be substantially in the form attached as **Schedule B** with provision for payment of principal and interest (other than in respect of the final payment of principal and outstanding interest on the maturity date upon presentation and surrender) on such terms as to which the registered holder and the *City* may agree;
  - (d) be dated December 12, 2025; and

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- (e) bear interest at the rate of zero per cent per annum from the date thereof payable semi-annually in arrears as follows:
  - (i) the *debentures* will be paid in full by December 12, 2045; and
  - (ii) the *debentures* will payable in semi-annual instalments of combined (blended) principal and interest on the days set out in **Schedule C** in each of the years during the currency of the *debentures* as set out in **Schedule C**.
  
- 2.4 Payments in respect of principal or interest or both on the *debentures* may only be made on a *business day* and if any date for payment is not a *business day*, payment must be made on the next following *business day* and no further interest will be paid in respect of the delay for such payment.
  
- 2.5 If the *City* defaults in the payment of any instalment at any time appointed for payment thereof, the *City* must, until such overdue amounts of principal or interest or both have been in full, pay to *FCM* interest on the principal and interest that is then outstanding at an annual rate that equals the greater of:
  - (a) the average of the 10 Government of Canada year benchmark bond yield and the long-term Government of Canada benchmark bond yield both indicated at [www.bankofcanada.ca](http://www.bankofcanada.ca) effective on the applicable default date plus the *FCM* spread negative two per cent and the default spread 2.5 per cent, as described in **Schedule A**; and
  - (b) the annual rate in effect on the applicable default date calculated pursuant to section 4.1 of **Schedule B** of the *financing agreement* plus the 2.5 per cent.
  
- 2.6 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 will be calculated on the basis of the actual number of days in the period and a year of 365 or 366 days as appropriate.
  
- 2.7 The *City* may prepay the outstanding principal amount of the *debentures* in an amount equal to or greater than five per cent (5%) of the outstanding principal amount of the *debentures* at any time during the term of the *debentures*, without incurring additional fees. In the event of a partial prepayment *FCM* must provide to the *City* a new amortization schedule effective as of the date of the most recent prepayment. Such new amortization schedule will be deemed to replace

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the amortization schedule which constitutes part of the *debentures* in respect of which the prepayment was effected. Upon delivery of such new schedule, the *City* must effect payment in accordance with the terms of the new amortization schedule. Any amounts prepaid may not be re-borrowed.

- 2.8 Each year in which a payment of an instalment of combined (blended) principal and interest becomes due, there will be raised as part of the general upper-tier levy the amounts of principal and interest payable 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, if any. 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.
- 2.9 The *City* must maintain a registry in respect of the *debentures* in which will 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 cancellation, exchanges, substitutions and transfers of *debentures*, may be recorded and the *City* is authorized to use electronic, magnetic or other media for records of or related to the *debentures* or for copies of them.
- 2.10 The *City* will 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 *City* must deem and treat registered holders of *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 will be valid and effectual to discharge the liability of the *City* on the *debentures* to the extent of the sum or sums 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* must 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 will constitute a valid discharge to the *City*. 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 will constitute a valid discharge to the *City*.

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- 2.11 The *debentures* will be transferable or exchangeable at the office of the *treasurer* upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the *City* 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 lawyer or legal personal representative, whereupon and upon registration of such transfer or exchange and cancellation of the *debenture*, the *mayor* and the *treasurer* must issue and deliver a new *debenture* or *debentures* of an equal aggregate principal amount in any authorized denomination or denominations as directed by the transferee, in the case of a transfer or as directed by the registered holder in the case of an exchange.
- 2.12 The *mayor* and the *treasurer* must issue and deliver new *debentures* in exchange or substitution for the *debentures* outstanding on the registry with the same maturity and of like form which have become lost, stolen, mutilated, defaced or destroyed, provided that the applicant therefor must have:
- (a) paid such costs as may have been incurred in connection therewith;
  - (b) in the case of a lost, stolen or destroyed *debenture*, furnished the *City* with such evidence, including evidence as to the certificate number of the *debenture* in question, and indemnity in respect thereof satisfactory to the *City* in its discretion; and
  - (c) surrendered to the *City* any mutilated or defaced *debentures* in respect of which new *debentures* are to be issued in substitution.
- 2.13 The *debentures* issued upon any registration of transfer or exchange or in substitution for any *debentures* or part thereof will carry all the rights to interest if any, accrued and unpaid which were carried by such *debentures* or part thereof and will be so dated and will bear the same maturity date and, subject to the provisions of this by-law, will be subject to the same terms and conditions as the *debentures* in respect of which the transfer, exchange or substitution is effected.
- 2.14 The cost of all transfers and exchanges, including the printing of authorized denominations of the new *debentures*, will be borne by the *City*. When any of the *debentures* are surrendered for transfer or exchange the *treasurer* must:
- (a) in the case of an exchange, cancel and destroy the *debentures* surrendered for exchange;

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- (b) in the case of an exchange, certify the cancellation and destruction in the registry; and
  - (c) enter in the registry particulars of the new *debenture* or *debentures* issued in exchange.
- 2.15 Reasonable fees for the substitution of a new *debenture* or new *debentures* for any of the *debentures* that are lost, stolen, mutilated, defaced or destroyed and for the replacement of lost, stolen, mutilated, defaced or destroyed principal and interest cheques may be imposed by the *City*. Where new debentures are issued in substitution in these circumstances, the *City* must:
- (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.
- 2.16 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.
- 2.17 The *mayor* and the *treasurer* are hereby authorized to cause the *debentures* to be issued. The *clerk* and the *treasurer* are hereby individually authorized to generally do all things and to execute all documents and other papers in the name of the *City* in order to carry out the issue of the *debentures* and the *treasurer* is authorized to affix the *City's* municipal seal to any of such documents and papers.
- 2.18 The proceeds realized in respect of the *debentures*, after providing for the expenses related to their issue, if any, must be apportioned and applied to the *capital works* and to no other purpose except as permitted by the *Municipal Act, 2001*.
- 2.19 Subject to the *City's* investment policies and goals, the applicable legislation and the terms and conditions of the *debentures*, the *City* may, if not in default under the *debentures*, at any time purchase any of the *debentures* in the open market

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or by tender or by private contract at any price and on such terms and conditions, including the manner by which any tender offer may be communicated or accepted and the persons to whom it may be addressed, as the *City* may in its discretion determine.

**3. Miscellaneous**

3.1 This by-law will come into force and take effect on the date it is passed.

1 <sup>st</sup> Reading	October 21, 2025
2 <sup>nd</sup> Reading	October 21, 2025
3 <sup>rd</sup> Reading	October 21, 2025
Passed	date

Janet Jaynes  
City Clerk

Bryan Paterson  
Mayor

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**Schedule A**

<b>By-law</b>	<b>Capital Work Description</b>	<b>Amount of Debentures to be Issued</b>	<b>Term of Years of Debentures</b>
2022-39 – A By-Law to Confirm the Proceedings of Council at its Meeting Held on Tuesday, February 15 and Wednesday February 16, 2022  Report 22-078	Federation of Canadian Municipalities Debenture Issues	\$5,749,188	20

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**Schedule B**

Province of Ontario  
Corporation of the City of Kingston

No. #####

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FULLY REGISTERED 0% AMORTIZING DEBENTURE

The Corporation of the City of Kingston (the “**Municipality**”), for value received, hereby promises to pay to:

FEDERATION OF CANADIAN MUNICIPALITIES, AS TRUSTEE FOR THE  
GREEN MUNICIPAL FUND (“FCM”)

or registered assigns, subject to the conditions attached hereto which form part hereof (the “Conditions”), upon presentation and surrender of this debenture by the maturity date of this debenture 12 December, 2045, the principal sum of

Five million, seven hundred and forty-nine thousand and one-hundred and eighty-eight  
----- (\$5,749,188) -----

by semi-annual instalments of combined (blended) principal and interest in semi-annual instalments of combined (blended) principal and interest, but for the first instalment of interest only calculated from the December 12, 2025 in the manner and in the amounts set forth in the attached amortization schedule (the “**Schedule**”) and subject to late payment interest charges pursuant to the Conditions, in lawful money of Canada. Interest shall be paid until the maturity date of this debenture, in like money in semi-annual payments from the December 12, 2025 or from the last date on which interest has been paid on this debenture, whichever is later at the rate of 0% per annum, in arrears, on the specified dates, as set forth in the Schedule (each, a “**Payment Date**”) in the manner provided in the Conditions. Interest shall be paid on default at the applicable rate set out in the Conditions both before and after default and judgment. The applicable rate of interest, the payments of principal and interest and the principal balance outstanding in each year are shown in the Schedule.

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This debenture is subject to the Conditions.

DATED at The Corporation of the City of Kingston on December 12, 2025.

IN TESTIMONY WHEREOF and under the authority of By-law Number 25-XXX of the Municipality duly passed on October 21, 2025 (the “**By-Law**”), this debenture is sealed with the municipal seal of the Municipality and signed by the [Insert position of the head of council] and the treasurer thereof.

Date of Registration: December 12, 2025.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Treasurer

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**CONDITIONS OF THE DEBENTURE**

Capitalized terms used in the Conditions of the Debenture and not defined below shall have the meaning ascribed to them in the Combined Loan and Grant Agreement between the

THE CORPORATION OF THE CITY OF KINGSTON and FEDERATION OF CANADIAN MUNICIPALITIES, as Trustee of the Green Municipal Fund, dated and effective as of December 22, 2021 (the "Agreement").

1. The debentures issued pursuant to the By-law (collectively the "Debentures" and individually a "Debenture") are issuable as fully registered Debentures without coupons. The Debentures are direct, unsecured and unsubordinated obligations of the Municipality. Notwithstanding any provision to the contrary contained herein, the Debentures shall be issued in minimum denominations of \$5,749,188. 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.
2. This Debenture is one fully registered Debenture registered in the name of FCM and held by FCM.
3. 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 the cancellation, 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.
4. 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 Region on the Debentures to the extent of the sum or sums 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

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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.

5. 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 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.
6. The Municipality shall make all payments in respect of the Debentures on each Payment Date commencing on June 12, 2026 (other than in respect of the final payment of principal and outstanding interest on the maturity date upon presentation and surrender of this Debenture) on such terms as the Municipality and the registered holder may agree.
7. If the Municipality defaults in the payment of any instalment at any time appointed for payment thereof, the Municipality shall, until such overdue principal and/or interest amount(s) has/have been paid in full, pay to FCM interest on the principal and interest that is then outstanding at an annual rate that equals the greater of: (a) the average of the ten (10) GoC year benchmark bond yield and the long-term GoC benchmark bond yield both indicated at [www.bankofcanada.ca](http://www.bankofcanada.ca) effective on the applicable default date plus the FCM Spread (- [-2.00%]) and the Default Spread [2.50%] , as described in Schedule A; and (b) the annual rate in effect on the applicable default date calculated pursuant to Section 4.1 of Schedule B of the Loan and Grant Agreement plus the 2.5%.
8. 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 or 366 days, as appropriate.
9. Payments in respect of principal of and interest on the Debentures shall be made only on a day on which banking institutions in Ottawa, Ontario, are not authorized or obligated by law or executive order to be closed (an "Business Day"), and if any date for payment is not a Business Day, payment shall be made on the next

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following Business Day and no further interest shall be paid in respect of the delay in such payment.

10. 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 transferee, in the case of a transfer or as directed by the registered holder in the case of an exchange.
11. The Municipality 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 lost, stolen, mutilated, defaced 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 of a lost, stolen or destroyed Debenture) furnished the Municipality with such evidence (including evidence as to the certificate number of the Debenture in question) and 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.
12. 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.
13. 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 to 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; and (c) enter in the registry particulars of the new Debenture or Debentures issued in exchange.

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14. Reasonable fees for the substitution of a new Debenture or new Debentures for any of the Debentures that are lost, stolen, mutilated, defaced or destroyed and for the replacement of lost, stolen, mutilated, defaced or destroyed principal and interest cheques may be imposed by the Municipality Where 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.
15. 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 then such notice may be given on the next following Business Day.
16. Unless otherwise expressly provided herein, any reference herein to a time shall be considered to be a reference to Ottawa, Ontario time.
17. 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.

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<b>Schedule C: Amortization Schedule</b>				
<b>Payment Date</b>	<b>Payment</b>	<b>Principal</b>	<b>Interest</b>	<b>Balance</b>
2025-12-12	\$0.00	\$0.00	\$0.00	\$5,749,188.00
2026-06-12	\$143,729.70	\$143,729.70	\$0.00	\$5,605,458.30
2026-12-12	\$143,729.70	\$143,729.70	\$0.00	\$5,461,728.60
2027-06-12	\$143,729.70	\$143,729.70	\$0.00	\$5,317,998.90
2027-12-12	\$143,729.70	\$143,729.70	\$0.00	\$5,174,269.20
2028-06-12	\$143,729.70	\$143,729.70	\$0.00	\$5,030,539.50
2028-12-12	\$143,729.70	\$143,729.70	\$0.00	\$4,886,809.80
2029-06-12	\$143,729.70	\$143,729.70	\$0.00	\$4,743,080.10
2029-12-12	\$143,729.70	\$143,729.70	\$0.00	\$4,599,350.40
2030-06-12	\$143,729.70	\$143,729.70	\$0.00	\$4,455,620.70
2030-12-12	\$143,729.70	\$143,729.70	\$0.00	\$4,311,891.00
2031-06-12	\$143,729.70	\$143,729.70	\$0.00	\$4,168,161.30
2031-12-12	\$143,729.70	\$143,729.70	\$0.00	\$4,024,431.60
2032-06-12	\$143,729.70	\$143,729.70	\$0.00	\$3,880,701.90
2032-12-12	\$143,729.70	\$143,729.70	\$0.00	\$3,736,972.20
2033-06-12	\$143,729.70	\$143,729.70	\$0.00	\$3,593,242.50
2033-12-12	\$143,729.70	\$143,729.70	\$0.00	\$3,449,512.80
2034-06-12	\$143,729.70	\$143,729.70	\$0.00	\$3,305,783.10
2034-12-12	\$143,729.70	\$143,729.70	\$0.00	\$3,162,053.40
2035-06-12	\$143,729.70	\$143,729.70	\$0.00	\$3,018,323.70
2035-12-12	\$143,729.70	\$143,729.70	\$0.00	\$2,874,594.00
2036-06-12	\$143,729.70	\$143,729.70	\$0.00	\$2,730,864.30

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<b>Schedule C: Amortization Schedule</b>				
<b>Payment Date</b>	<b>Payment</b>	<b>Principal</b>	<b>Interest</b>	<b>Balance</b>
2036-12-12	\$143,729.70	\$143,729.70	\$0.00	\$2,587,134.60
2037-06-12	\$143,729.70	\$143,729.70	\$0.00	\$2,443,404.90
2037-12-12	\$143,729.70	\$143,729.70	\$0.00	\$2,299,675.20
2038-06-12	\$143,729.70	\$143,729.70	\$0.00	\$2,155,945.50
2038-12-12	\$143,729.70	\$143,729.70	\$0.00	\$2,012,215.80
2039-06-12	\$143,729.70	\$143,729.70	\$0.00	\$1,868,486.10
2039-12-12	\$143,729.70	\$143,729.70	\$0.00	\$1,724,756.40
2040-06-12	\$143,729.70	\$143,729.70	\$0.00	\$1,581,026.70
2040-12-12	\$143,729.70	\$143,729.70	\$0.00	\$1,437,297.00
2041-06-12	\$143,729.70	\$143,729.70	\$0.00	\$1,293,567.30
2041-12-12	\$143,729.70	\$143,729.70	\$0.00	\$1,149,837.60
2042-06-12	\$143,729.70	\$143,729.70	\$0.00	\$1,006,107.90
2042-12-12	\$143,729.70	\$143,729.70	\$0.00	\$862,378.20
2043-06-12	\$143,729.70	\$143,729.70	\$0.00	\$718,648.50
2043-12-12	\$143,729.70	\$143,729.70	\$0.00	\$574,918.80
2044-06-12	\$143,729.70	\$143,729.70	\$0.00	\$431,189.10
2044-12-12	\$143,729.70	\$143,729.70	\$0.00	\$287,459.40
2045-06-12	\$143,729.70	\$143,729.70	\$0.00	\$143,729.70
2045-12-12	\$143,729.70	\$143,729.70	\$0.00	\$0.00