



BYLAW

BL10

GPL State 1 Financing

Board Received: October 26, 2009

Review Date: until maturity
(November 15, 2031)

A bylaw to authorize a loan from the Ontario Financing Authority in the principal amount of \$1 1,845,000 pursuant to a loan agreement under section 12 of Ontario Regulation 466197

WHEREAS subsection 247 (1) of the Education Act R.S.O. 1990, c. E.2, as amended (the "Education Act") and the regulations made thereunder, provides that, subject to any other provision of the Education Act and, specifically, the regulations made under subsections 242 (1) and 247 (3) of the Education Act, a district school board may by by-law borrow money or incur debt for permanent improvements and may issue debentures or issue or execute any instrument prescribed under clause 247 (3) (of the Education Act in respect of the money borrowed or the debt incurred;

AND WHEREAS section 12 of Ontario Regulation 466197, as amended by Ontario Regulation 462106 (the "Regulation"), provides that (1) a board may by by-law borrow money for permanent improvements by way of a loan from the Ontario Financing Authority with an initial maturity of more than one year and that (2) a board that obtains a loan mentioned in subsection 12 (1) shall ensure that the proceeds of it are used for permanent improvements;

AND WHEREAS the Grand Erie District School Board (the "Board"), which under the Education Act constitutes a district school board, has undertaken urgent and high priority renewal projects at schools of the Board (some of which schools may constitute shared facilities) listed in Appendix B of the document entitled "Good Places to Learn: Stage 1 Funding Allocation" which projects have been approved by the Minister of Education, as indicated in Appendix B, on the basis that the projects address urgent and high priority renewal needs at such schools, are part of the Board's long-range plan and are described in Schedule "A" attached hereto and forming part of this By-law (individually a "Project", collectively the "Projects") and pursuant to Ontario Regulation 461106 each such Project constitutes a "permanent improvement" as defined in subsection 1(1) of the Education Act;

AND WHEREAS before the Board authorized each of the Projects and before authorizing additional cost amounts and additional long term debt authorities in respect of the Projects (if any), the Treasurer of the Board updated the Board's most recent annual debt and financial obligation and liability limits as determined in accordance with the provisions of Ontario Regulation 472198 and determined that the estimated annual amount payable by the Board in respect of each Project, each such additional cost amount and each such additional long term debt authority (if any), would not cause the Board to reach or exceed its updated limits, with the result that the Board authorized each Project, each such additional cost amount and each such additional long term debt authority without the prior approval of the Minister of Education;

AND WHEREAS the Board has financed the Projects by way of temporary borrowing from a financial institution or from a reserve account and the Board intends to borrow money from the Ontario Financing Authority for the purpose of financing the Projects on a long- term basis by repaying the temporary borrowing or repaying the reserve account, as applicable, and in this connection the Board intends to borrow by way of a loan with an initial maturity of more than one year from the Ontario Financing Authority the principal amount of \$1 1,845,000 (the "Loan") pursuant to a loan agreement in the form attached hereto as Schedule "B" (the "Loan Agreement") which Loan Agreement constitutes an instrument prescribed under clause 247 (3) (f) of the Education Act and which sets out the terms and conditions on which the Ontario Financing Authority will make the Loan available to the Board;

NOW THEREFORE THE GRAND ERIE DISTRICT SCHOOL BOARD ENACTS
AS FOLLOWS:

- 1 The Board hereby authorizes the Loan that is to be made available to the Board pursuant to the Loan Agreement on the basis that it constitutes a loan under section 12 of the Regulation and that the Loan Agreement constitutes an instrument prescribed under clause 247(3)(f) of the Education Act.
- 2 The Board is hereby authorized to enter into the Loan Agreement pursuant to which the Loan will be made available to the Board and the Chair of the Board and the Treasurer of the Board are hereby authorized to execute for and on behalf of the Board the Loan Agreement which provides for instalments of combined (blended) principal and interest as hereinafter set forth.
- 3 The Loan shall be paid in full by November 15, 2031 and equal instalments of combined (blended) principal and interest shall be payable on such days in May and November as are set forth in the amortization schedule set forth in Schedule "C" attached hereto and forming part of this By-law ("Schedule "C") (commencing May 15, 2007) in each of the years during the currency of the Loan as set forth in Schedule "C". The Loan shall bear interest at the rate of 4.56% on the outstanding principal amount owing thereunder from time to time from the date thereof, which interest shall be payable in arrears as part of the equal instalments of combined (blended) principal and interest payable on such days in May and November in each year of their currency as are set out in Schedule "C".
- 4 Any amounts payable by the Board in respect of the Loan including interest on overdue principal and interest in respect of the Loan shall be paid out of the Board's general revenue or any other available funds.
- 5 In accordance with the provisions of the Education Act and the regulations made thereunder, during the currency of the Loan, the Board shall provide in its estimates for each fiscal year for setting aside out of its general revenue in the fiscal year the amount necessary to pay the principal and interest coming due on the Loan in the fiscal year and, on or before each due date in each such year, the Board shall pay out of its general revenue the principal and interest coming due on the Loan in the year. Such sums of principal and interest payable on the Loan shall be provided for in accordance with subsection 247(5) of the Education Act. Subject to the foregoing, on or before each due date in each year during the currency of the Loan, the Board shall pay out of its general revenue the amount necessary to pay the specific sums of principal and interest payable on the Loan shown for the respective year as set forth in Schedule "C"; but such amount shall be paid out of the Board's general revenue only to the extent required after taking into account funds available from other sources.

6 The proceeds of the Loan, shall be used to repay the temporary borrowing or repay the reserve account, as applicable, in respect of the Projects and for no other purpose.

READ AND FINALLY PASSED this 30th day of October, 2006.

Don Werden, Chair

Jim Wibberley, Director of Education and Secretary

GRAND ERIE DISTRICT SCHOOL BOARD**SCHEDULE "A" TO BY-LAW NUMBER 10****PROJECT DESCRIPTION****SCHEDULE "A"****PROJECT DESCRIPTION**

Please provide a brief description of the Projects in respect of which \$1 1,845,000 , was incurred from March 18,2005 up to and including August 31,2006 as reported by the Board under the Good Places to Learn Stage 1 initiative, by completing the following.

There are 37 (total number of) roof projects completed or underway, in respect of which \$9,609,244 was incurred from March 18, 2005 up to and including August 31, 2006. These projects were undertaken at the following schools:

F.C. Bodley
Burford District Elementary
Brier Park
Cedarland
Central – Brantford
Dufferin
Echo Place
Fairview – Brantford
Glen Morris
Graham Bell
Grandview – Brantford
King George
Major Ballachey
North Ward
Prince Charles
Russell Reid
Brantford Collegiate
North Park Collegiate
Paris District High School
Pauline Johnson Collegiate
Simcoe Composite School
Port Dover Composite School
Delhi District Secondary
Valley Heights Secondary
Boston Public
Doverwood
Langton
Port Rowan
Houghton
Courtland
Simcoe Composite School
Anna Melick
Oneida Central
Walpole North
Cayuga Secondary
Dunnville Secondary
Hagersville Secondary

There are 19 (total number of) window projects completed or underway, in respect of which \$772,995 was incurred from March 18, 2005 up to and including August 31, 2006. These projects were undertaken at the following schools:

Burford District Elementary
Centennial/Grand Woodlands
Glen Morris
Onondaga-Brant
Russell Reid
Pauline Johnston
Simcoe Composite School
Port Dover Composite School
Delhi District Secondary
Waterford District High School
Bloomsburg
West Lynn
Walsh
Fairview Avenue – Dunnville
J.L. Mitchener
Oneida Central
Hagersville Elementary
Cayuga Secondary
Hagersville Secondary

There are no (total number of) boiler projects completed or underway, in respect of which \$ nil was incurred from March 18, 2005 up to and including August 31, 2006. These projects were undertaken at the following schools:

- None

There are 41 (total number of) other projects completed or underway, in respect of which \$ 1,462,761 was incurred from March 18, 2005 up to and including August 31, 2006. These projects were undertaken at the following schools:

Burford District Elementary
Fairview - Brantford
Grandview -Brantford
Greenbrier
A.G. Hodge
Mount Pleasant
Princess Elizabeth
Russell Reid
Brantford Collegiate
Simcoe Composite School
Port Dover Composite School
Waterford District High School
Bloomsburg
Boston Public
Townsend Central
Ada B. Massecar
Langton
Port Rowan
Houghton
Delhi PS
Anna Melick
Caledonia Centennial
Thompson Creek
Fairview Avenue -Dunnville
Grandview Central
Jarvis
Hagersville Elementary
Rainham Central
Seneca Central
Walpole North

GRAND ERIE DISTRICT SCHOOL BOARD**SCHEDULE "B" TO BY-LAW NUMBER 10****LOAN AGREEMENT**

This Loan Agreement made in duplicate dated and effective as of the 3rd day of November, 2006

BETWEEN:

ONTARIO FINANCING AUTHORITY, a corporation established under the *Capital Investment Plan Act, 1993*, (hereinafter the "OFA")

OF THE FIRST PART

AND:

GRAND ERIE DISTRICT SCHOOL BOARD, a district school board continued under the *Education Act* (hereinafter the "Board")
OF THE SECOND PART

WHEREAS:

- (a) the Board has undertaken urgent and high priority renewal projects at schools of the Board listed in Appendix B of the document entitled "Good Places to Learn: Stage 1 Funding Allocation" ("Appendix B") which projects have been approved by the Minister of Education on the basis that the projects address urgent and high priority renewal needs at such schools, are part of the Board's long-range plan and are described in Schedule "A" attached hereto (individually a "Project", collectively the "Projects") and pursuant to Ontario Regulation 461/06 each such Project constitutes a "permanent improvement" as defined in subsection 1(1) of the *Education Act*, R.S.O. 1990, c.E2, as amended (the *Education Act*);
- (b) the Board has financed the Projects by way of temporary borrowing from a financial institution or from a reserve account and in respect of which it is entitled to receive grants from the Minister of Education pursuant to subsection 39(9) paragraph 40 of Regulation 341/06 under the *Education Act* for the Board's fiscal year 2006-2007 for the payment of interest;
- (c) the Board has requested and the OFA has agreed to lend the principal amount of \$11,845,000.00 to the Board for the purpose of financing the Projects on a long-term basis by repaying the temporary borrowing or repaying the reserve account, as applicable;
- (d) the Board is authorized to borrow money for permanent improvements from the Ontario Financing Authority by way of loan and is authorized to receive grants for the repayment of such loan from the Minister of Education pursuant to Ontario Regulation 341/06; and
- (e) the Board has agreed to enter into this Agreement to evidence its indebtedness and provide for the repayment of the loan to the OFA on the terms and conditions set forth herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements contained in it and subject to the terms and conditions set out in it, the parties agree as follows:

1.0 DEFINITIONS

In this Loan Agreement, unless the context or the subject matter otherwise requires:

- (a) "Advance Date" means November 15, 2006;
- (b) "Agreement" means this Agreement as it may be amended or extended from time to time by the parties in writing, including all schedules hereto and any document which the parties may at a future time mutually designate as a schedule to this Agreement, by so marking such document in writing as a schedule hereto and part hereof;
- (c) "business day" means any day that is not a Saturday or Sunday and that, in the City of Toronto, is not a day on which banking institutions are generally authorized or obligated by law or executive order to close;
- (d) "dollars" or "\$" means Canadian dollars;
- (e) "Material Adverse Change" means any change or event which (i) materially impairs the ability of the Board to timely and fully perform its obligations under this Agreement, or (ii) could materially impair the ability of the OFA to enforce its rights and remedies under this Agreement; or (iii) has a material adverse effect on the operations, properties, assets, liabilities or financial condition of the Board;
- (f) "Principal Amount" means the total amount of monies that have been advanced to the Board pursuant to paragraph 2.1 of this Agreement;
- (g) "Rate" means 4.56 % per annum; and
- (h) "Repayment Date" means November 15, 2031;

2.0 PRINCIPAL AMOUNT

- 2.1 The OFA agrees to lend to the Board and the Board agrees to borrow from the OFA the principal amount of \$11,845,000.00 in lawful money of Canada with interest thereon at the Rate on the terms and conditions set forth in this Agreement.
- 2.2 The Board shall pay an administrative fee to the OFA equal to .02% of the Principal Amount which fee shall be payable on and deducted by the OFA from the Principal Amount advanced to the Board on the Advance Date.
- 2.3 Except as otherwise agreed in writing between the Board and the OFA, the monies to be advanced by the OFA shall be advanced by the OFA to the Board by electronic funds transfer directly into the bank account designated by the Board.

- 2.4 The Board authorizes the OFA to open and maintain records evidencing the Board's obligations under this Agreement and to record therein all advances, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. The Board agrees that the records kept by the OFA, in the absence of manifest error, shall be prima facie evidence of the indebtedness of the Board and the matters recorded provided that the failure of the OFA to record or correctly record any amount or date shall not affect the obligation of the Board to pay the Principal Amount and accrued interest thereon owing under this Agreement.

3.0 **REPAYMENT**

- 3.1 The Board agrees to repay the Principal Amount together with interest thereon as follows:

- (i) the Principal Amount and interest thereon at the Rate accrued from and including the Advance Date to but excluding the Repayment Date shall be paid in semi-annual instalments of combined (blended) principal and interest over a 25 year amortization period on the specified dates set out in the amortization schedule attached to this Agreement as Schedule "B" with the first semi-annual instalment due and payable on May 15, 2007; and
- (ii) the loan shall be fully repaid on the Repayment Date.

- 3.2 If the Board fails to make any payment of principal or interest payable by it under this Agreement on the relevant due date, the overdue amount shall bear interest at the Rate (before as well as after judgment) calculated from the due date until the date of actual payment to the OFA.

- 3.3 Interest, other than interest in respect of the combined (blended) principal and interest instalments, shall be computed under this Agreement on the basis of a year of 365 days and the actual number of days elapsed.

- 3.4 If any day on which a payment is due and payable under this Agreement would otherwise fall on a day that is not a business day, such due date shall instead fall on the next succeeding business day.

- 3.5 Except as otherwise agreed in writing between the Board and the OFA and without affecting the liability of the Board under this Agreement, the monies to be repaid under this Agreement shall be repaid by the Board in immediately available funds to the OFA on the due date by pre-authorized debit from an account of the Board, such account to be designated to the OFA by the execution and delivery of the Payor Pre-Authorized Debit Agreement attached as Schedule "C" to this Agreement, together with such other authorizations, voided cheques and other documentation as the deposit-taking institution and the rules of the Canadian Payments Association may require for such pre-authorized debit. The Board undertakes to notify the OFA, immediately and not later than five business days prior to any semi-annual instalment date or the Repayment Date, in writing of any changes in its designated account for the purposes of the pre-authorized debits and agrees to execute and deliver a revised Schedule "C".

- 3.6 The Board is not entitled to prepay the principal sum and accrued interest thereon outstanding under this Agreement except with the prior written consent of the OFA.

4.0 CONDITIONS PRECEDENT

- 4.1 The obligation of the OFA to advance the Principal Amount pursuant to paragraph 2.1 of this Agreement is subject to the following conditions being met to the OFA's satisfaction on the Advance Date:
- (a) that the representations and warranties of the Board contained in this Agreement continue to be true and correct as at the Advance Date;
 - (b) that there shall, in the reasonable opinion of the OFA, have been no Material Adverse Change with respect to the Board;
 - (c) that this Agreement shall have been duly executed and delivered; and
 - (d) that the OFA shall have received such other documentation in form and substance satisfactory to the OFA which it has reasonably requested to ensure that the Board is in compliance with the terms and conditions of this Agreement including (i) a certified true copy of the necessary by-law authorizing the borrowing of the Principal Amount and the execution of this Agreement. (ii) a favourable legal opinion from external legal counsel to the Board as to due authorization, execution, validity and enforceability of this Agreement and such other matters as the OFA considers necessary or appropriate, (iii) a certificate or certificates executed by an authorized officer or officers of the Board as to the continued truth and correctness of the representations and warranties, the due authorization and execution of this Agreement and other documents, compliance with the Education Act and regulations and such other matters as the OFA may reasonably request, and (iv) a certificate of incumbency executed by an authorized officer of the Board showing the names, offices and specimen signatures of the officers who have executed this Agreement and other documents.

5.0 REPRESENTATIONS AND WARRANTIES OF BOARD

- 5.1 The Board represents and warrants to the OFA that:
- (a) the Board is a district school board under the Education Act;
 - (b) the Board has passed a formal resolution (the "Resolution") indicating that funds from Stage 1 of the Good Places to Learn program will only be used to address repair projects that have been identified as urgent and high needs in the ReCAPP database (individually an "Eligible Project", collectively the "Eligible Projects") and a copy of the Resolution has been forwarded to the Business Services Branch of the Ministry of Education;
 - (c) each Project constitutes an Eligible Project and constitutes an urgent and high priority renewal project that has been undertaken at a school of the Board (which school may constitute a shared facility) listed in Appendix B and each Project has been approved by the Minister of Education, as indicated in Appendix B, on the basis that such Project addresses an urgent and high priority renewal need at that school;

- (d) each Project constitutes a permanent improvement within the meaning of subsection 1(1) of the Education Act; and the Board has obtained all necessary approvals to authorize the carrying out of the Projects by the Board;
- (e) each Project has been duly authorized by the Board at a duly called meeting of the Board at which a quorum was present. No application has been made or action brought to quash, set aside or declare invalid such authorizations or the Resolution nor have the authorizations or the Resolution been repealed, altered and amended and the authorizations and the Resolution are in full force and effect;
- (f) the Board has incurred expenditures from March 18, 2005 up to and including August 31, 2006 (the "Eligible Expenditures") in respect of each of the Projects and the total amount of the expenditures so incurred in respect of the Projects undertaken at an individual school of the Board set out in Appendix B does not exceed the respective aggregate amount set out in Appendix B in respect of such school of the Board nor does such total amount exceed the expenditures authorized by the Board pursuant to the authorizations referred to in paragraph 5.1 (e);
- (g) the information provided by the Board to the OFA or Her Majesty the Queen in right of Ontario, to the extent that it relates to the Board or the Projects is true and correct in all material respects when provided and remains true and correct as of the Advance Date;
- (h) the borrowing of the Principal Amount to be advanced under this Agreement and the execution, delivery and performance of this Agreement are within the powers and capacities of the Board and have been duly authorized by all necessary legal action and proper proceedings, including a by-law passed by the Board;
- (i) the borrowing of the Principal Amount advanced under this Agreement, the execution and delivery of this Agreement, and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the by-laws of the Board, laws of Ontario, including laws of Canada applicable therein, applicable to the Board or any contractual or other obligation binding on the Board and does not require the consent or approval of any person;
- (j) the Board has not exceeded its updated debt and financial obligation and liability limits calculated in accordance with Ontario Regulation 472/98 under the Education Act and has determined that the annual amount payable in respect of the borrowing under this Agreement will not cause the Board to reach or to exceed its updated limits as of the Advance Date;
- (k) this Agreement will, when executed and delivered, constitute a legal, valid and binding obligation of the Board enforceable against it in accordance with its terms;
- (l) the Board is not currently in default under any debentures or other long-term debts of any kind and undertakes to immediately inform the OFA if it is in default under any such long-term financial obligations at any time;

- (m) the obligations of the Board under this Agreement are direct, unsecured and unsubordinated debt obligations and rank concurrently and equally in respect of payment of principal and interest with all other debentures and prescribed debt instruments of the Board, except as to the availability of any sinking fund, retirement fund or other prescribed fund applicable to any issue of debentures or such prescribed debt instruments;
- (n) the Board is not now subject to an order under the *Education Act* vesting in the Ministry of Education control and charge over the administration of the affairs of the Board;
- (o) the Principal Amount borrowed under this Agreement shall be used only for the purpose of financing the Projects by repaying temporary borrowing for the Projects from a financial institution or repaying an amount used for the Projects to a reserve account of the Board and will not be used for any other purpose;
- (p) no litigation or proceedings of any nature are now pending or threatened, attacking or in any way attempting to restrain or enjoin the execution and delivery of this Agreement or in any manner questioning the proceedings and the authority under which this Agreement is authorized, or affecting the validity thereof, or contesting the capacity of the authorized officers of the Board to sign and no authority or proceedings under which the Board is authorized to execute this Agreement has been repealed, revoked or rescinded in whole or in part; and
- (q) there are no actions, suits or proceedings threatened or pending against the Board in any court except actions, suits or proceedings which would not result in a Material Adverse Change if determined against the Board.

5.2 The representations and warranties set out in paragraph 5.1 herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by counsel for the OFA.

5.3 For greater certainty, the OFA is not responsible for ensuring that the proceeds advanced to the Board are in fact used in the manner specified in subsection 5.1(0).

6.0 COVENANTS

6.1 The Board will duly and punctually pay or cause to be paid all principal, interest, fees and other amounts payable by it under this Agreement in accordance with the terms and subject to the conditions of this Agreement.

6.2 The Board will provide prompt notice to the OFA of the occurrence of any Event of Default or Material Adverse Change.

6.3 The Board will comply at all times with all of the Board's obligations in respect of the debt and financial obligation and liability limits applicable to it under the *Education Act* and the regulations made thereunder.

6.4 The Board shall allocate all grants received by it from the Ministry of Education relating to Eligible Expenditures in respect of the Projects in accordance with the applicable legislation and shall apply such grants to the payment of its obligations under this Agreement.

6.5 The Board will obtain all licences, permits, consents, approvals and other authorizations which are necessary or desirable to carry out the Projects.

6.6 The Board will provide to the Ministry of Education reports respecting the status of the Projects as requested from time to time.

7.0 DEFAULT

7.1 Failure by the Board to pay any principal interest, fees or other amount payable by it under this Agreement, unless such default is cured within three business days after the date such payment was due, shall constitute an event of default (each, an "Event of Default") and each Event of Default shall be deemed to exist and continue so long as it shall not have been remedied.

8.0 INTERCEPT AND REMEDIES ON THE OCCURRENCE OF DEFAULT

8.1 (a) Subject to paragraph 7.1, the Board hereby irrevocably authorizes and directs the Minister of Finance, the Minister of Education or such other Minister of the Crown who may be responsible for the payment of monies to the Board to deduct from money appropriated by the Legislature for payment to the Board amounts equal to any amounts that the Board fails to pay to the OFA in accordance with the provisions of this Agreement and to pay such amounts directly to the OFA (the "Intercept").

(b) The Board agrees that any notice from the OFA to the Minister of Finance, the Minister of Education or other Minister of the Crown in relation to this paragraph may be relied upon by such Minister without further inquiry or verification by such Minister and, upon receipt of such notice, such Minister shall deduct from money appropriated by the Legislature for payment to the Board amounts equal to any amount that the Board fails to pay to the OFA under this Agreement and pay such amount to the OFA.

8.2 On the occurrence of any Event of Default and at any time thereafter, so long as the same shall be continuing, the OFA may, in addition to any other remedy available to the OFA at law, at its option, by notice to the Board, invoke the Intercept mechanism to require payment of any amount due and payable under this Agreement,

8.3 No delay or omission of the OFA to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Agreement or by law to the OFA may be exercised from time to time, and as often as may be deemed expedient by the OFA.

8.4 No right or remedy herein conferred upon or reserved to the OFA is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

9.0 ADMISSIBILITY OF EVIDENCE

- 9.1 Where communications between the parties are provided on an electronic basis under this Agreement, printouts or other tangible reproductions of any electronic record maintained by a party in relation to such communications shall be considered business records in any legal, administrative or other proceedings that may arise in relation to this Agreement.

10.0 INTEREST ACT DISCLOSURE

- 10.1 For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest to which any rate of interest payable under this Agreement that is calculated on any basis other than a full calendar year is equivalent may be determined by multiplying such rate by a fraction, the numerator of which is the actual number of days in the calendar year in which such yearly rate of interest is to be ascertained and the denominator of which is the number of days comprising such other basis.

11.0 NOTICES

- 11.1 A notice or other communication pursuant to this Agreement shall be in writing and delivered in person or sent by first class prepaid post or by facsimile transmission (subject, in the case of communication by facsimile transmission, to confirmation by telephone) to the party for which it is intended at the following addresses:

11.2

The OFA	Ontario Financing Authority One Dundas St. West, Suite 1400 Toronto, Ontario M7A 1Y7
Attention:	Executive Director Capital Markets Division
Tel. No:	(416) 325-8125
Fax No:	(416)325-8111
The Board	Grand Erie District School Board
Attention:	Administrative Assistant
Tel. No:	(519) 756-6301 x 134
Fax No.	(519) 756-0895

- 11.3 Either party may change its address for the purposes of receipt of any such communication by giving five business days' prior written notice of such change to the other party in the manner prescribed above.

- 11.4 Any notice so given takes effect, in the case of delivery in person, at the time of delivery, in the case of delivery by first class prepaid post, seven business days after dispatch and, in the case of delivery by facsimile transmission, at the time of confirmation by telephone.

12.0 GENERAL

- 12.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

- 12.2 This Agreement shall be binding on and enure to the benefit of the OFA, and the Board and their respective successors and permitted assigns, except that the Board shall not, without the prior written consent of the OFA assign, pledge or hypothecate any rights or obligations with respect to this Agreement.
- 12.3 If any of the provisions of this Agreement are held to be invalid, illegal or unenforceable by a court or tribunal of competent jurisdiction, the remaining provisions shall remain in full force and effect.
- 12.4 A party, by waiving the breach of any provision of this Agreement, does not waive any further breach of the same provision or any breach of any other provision of this Agreement. A waiver is binding on the waiving party only if it is in writing.
- 12.5 Subject to the provisions herein: this Agreement may not be altered or amended, except by the mutual agreement of the parties evidenced in writing.
- 12.6 Time shall in all respects be of the essence of this Agreement
- 12.7 All references to time in this Agreement are references to Toronto time, unless otherwise indicated.
- 12.8 If any date on which an act is required to be taken under this Agreement is not a business day, such act shall be taken on the next following business day.
- 12.9 Each party shall, upon request of the other, acting reasonably, use its best efforts to make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the performance of the terms and conditions of this Agreement.
- 12.10 This Agreement hereto constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, oral and written, between the parties.
- 12.11 This Agreement may be executed in counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

ONTARIO FINANCING AUTHORITY

BY: _____
Chief Executive Officer

GRAND ERIE DISTRICT SCHOOL BOARD

BY: _____
Name: _____
Title: _____

BY: _____
Name: _____
Title: _____

SCHEDULE "A"**PROJECT DESCRIPTION**

Please provide a brief description of the Projects in respect of which \$1 1,845,000 , was incurred from March 18,2005 up to and including August 31,2006 as reported by the Board under the Good Places to Learn Stage 1 initiative, by completing the following.

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North Park Collegiate
Paris District High School
Pauline Johnson Collegiate
Simcoe Composite School
Port Dover Composite School
Delhi District Secondary
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Walsh
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Hagersville Elementary
Cayuga Secondary
Hagersville Secondary

There are no (total number of) boiler projects completed or underway, in respect of which \$ nil was incurred from March 18, 2005 up to and including August 31, 2006. These projects were undertaken at the following schools:

- None

There are 41 (total number of) other projects completed or underway, in respect of which \$1,462,761 was incurred from March 18, 2005 up to and including August 31, 2006. These projects were undertaken at the following schools:

Burford District Elementary
Fairview – Brantford
Grandview – Brantford
Greenbrier
A.G. Hodge
Mount Pleasant
Princess Elizabeth
Russell Reid
Brantford Collegiate
Simcoe Composite School
Port Dover Composite School
Waterford District High School
Bloomsburg
Boston Public
Townsend Central
Ada B. Massecar
Langton
Port Rowan
Houghton
Delhi PS
Anna Melick
Caledonia Centennial
Thompson Creek
Fairview Avenue – Dunnville
Grandview Central
Jarvis
Hagersville Elementary
Rainham Central
Seneca Central
Walpole North

SCHEDULE "B" AMORTIZATION SCHEDULE

Organization Name: Grand Erie District School Board
 Principal Amount (\$): \$11,845,000.00
 Annual Interest Rate (%): 4.56%
 Loan Term (Years): 25
 Loan Date (m/d/yyyy): 11/15/2006
 Maturity Date (m/d/yyyy): 11/15/2031
 Payment Frequency: SemiAnnual
 Loan Type: Amortize

Payment Date	Total Payment	Principal Amount	Interest Amount	Principal Balance
5/15/2007	\$399,470.22	\$129,404.22	\$270,066.00	\$11,715,595.78
11/15/2007	\$399,470.22	\$132,354.64	\$267,115.58	\$11,583,241.14
5/15/2008	\$399,470.22	\$135,372.32	\$264,097.90	\$11,447,868.82
11/17/2008	\$399,470.22	\$138,458.81	\$261,011.41	\$11,309,410.01
5/15/2009	\$399,470.22	\$141,615.67	\$257,854.55	\$11,167,794.34
11/16/2009	\$399,470.22	\$144,844.51	\$254,625.71	\$11,022,949.83
5/17/2010	\$399,470.22	\$148,146.96	\$251,323.26	\$10,874,802.87
11/15/2010	\$399,470.22	\$151,524.71	\$247,945.51	\$10,723,278.16
5/16/2011	\$399,470.22	\$154,979.48	\$244,490.74	\$10,568,298.68
11/15/2011	\$399,470.22	\$158,513.01	\$240,957.21	\$10,409,785.67
5/15/2012	\$399,470.22	\$162,127.11	\$237,343.11	\$10,247,658.56
11/15/2012	\$399,470.22	\$165,823.60	\$233,646.62	\$10,081,834.96
5/15/2013	\$399,470.22	\$169,604.38	\$229,865.84	\$9,912,230.58
11/15/2013	\$399,470.22	\$173,471.36	\$225,998.86	\$9,738,759.22
5/15/2014	\$399,470.22	\$177,426.51	\$222,043.71	\$9,561,332.71
11/17/2014	\$399,470.22	\$181,471.83	\$217,998.39	\$9,379,860.88
5/15/2015	\$399,470.22	\$185,609.39	\$213,860.83	\$9,194,251.49
11/16/2015	\$399,470.22	\$189,841.29	\$209,628.93	\$9,004,410.20
5/16/2016	\$399,470.22	\$194,169.67	\$205,300.55	\$8,810,240.53
11/15/2016	\$399,470.22	\$198,596.74	\$200,873.48	\$8,611,643.79
5/15/2017	\$399,470.22	\$203,124.74	\$196,345.48	\$8,408,519.05
11/15/2017	\$399,470.22	\$207,755.99	\$191,714.23	\$8,200,763.06
5/15/2018	\$399,470.22	\$212,492.82	\$186,977.40	\$7,988,270.24
11/15/2018	\$399,470.22	\$217,337.66	\$182,132.56	\$7,770,932.58
5/15/2019	\$399,470.22	\$222,292.96	\$177,177.26	\$7,548,639.62
11/15/2019	\$399,470.22	\$227,361.24	\$172,108.98	\$7,321,278.38
5/15/2020	\$399,470.22	\$232,545.07	\$166,925.15	\$7,088,733.31
11/16/2020	\$399,470.22	\$237,847.10	\$161,623.12	\$6,850,886.21
5/17/2021	\$399,470.22	\$243,270.01	\$156,200.21	\$6,607,616.20

SCHEDULE "B" AMORTIZATION SCHEDULE

Organization Name: Grand Erie District School Board
 Principal Amount (\$): \$11,845,000.00
 Annual Interest Rate (%): 4.56%
 Loan Term (Years): 25
 Loan Date (m/d/yyyy): 11/15/2006
 Maturity Date (m/d/yyyy): 11/15/2031
 Payment Frequency: Semi Annual
 Loan Type: Amortize

Payment Date	Total Payment	Principal Amount	Interest Amount	Principal Balance
11/15/2021	\$399,470.22	\$248,816.57	\$150,653.65	\$6,358,799.63
5/16/2022	\$399,470.22	\$254,489.59	\$144,980.63	\$6,104,310.04
11/15/2022	\$399,470.22	\$260,291.95	\$139,178.27	\$5,844,018.09
5/15/2023	\$399,470.22	\$266,226.61	\$133,243.61	\$5,577,791.48
11/15/2023	\$399,470.22	\$272,296.57	\$127,173.65	\$5,305,494.91
5/15/2024	\$399,470.22	\$278,504.94	\$120,965.28	\$5,026,989.97
11/15/2024	\$399,470.22	\$284,854.85	\$114,615.37	\$4,742,135.12
5/15/2025	\$399,470.22	\$291,349.54	\$108,120.68	\$4,450,785.58
11/17/2025	\$399,470.22	\$297,992.31	\$101,477.91	\$4,152,793.27
5/15/2026	\$399,470.22	\$304,786.53	\$94,683.69	\$3,848,006.74
11/16/2026	\$399,470.22	\$311,735.67	\$87,734.55	\$3,536,271.07
5/17/2027	\$399,470.22	\$318,843.24	\$80,626.98	\$3,217,427.83
11/15/2027	\$399,470.22	\$326,112.87	\$73,357.35	\$2,891,314.96
5/15/2028	\$399,470.22	\$333,548.24	\$65,921.98	\$2,557,766.72
11/15/2028	\$399,470.22	\$341,153.14	\$58,317.08	\$2,216,613.58
5/15/2029	\$399,470.22	\$348,931.43	\$50,538.79	\$1,867,682.15
11/15/2029	\$399,470.22	\$356,887.07	\$42,583.15	\$1,510,795.08
5/15/2030	\$399,470.22	\$365,024.09	\$34,446.13	\$1,145,770.99
11/15/2030	\$399,470.22	\$373,346.64	\$26,123.58	\$772,424.35
5/15/2031	\$399,470.22	\$381,858.94	\$17,611.28	\$390,565.41
11/17/2031	\$399,470.30	\$390,565.41	\$8,904.89	\$0.00
Total:	\$19,973,511.08	\$11,845,000.00	\$8,128,511.08	

SCHEDULE "C"
Payor PreAuthorized Debit Agreement

TO: Ontario Financing Authority (the "OFA") to Direct Debit an Account

Account Holder (the "Board"):

GRAND ERIE DISTRICT SCHOOL BOARD

Full Legal Name

349 ERIE AVENUE

Address

BRANTFORD

City

GRAND ERIE DISTRICT SCHOOL BOARD

Exact Name in which Account is Held

519-756-6301

Telephone Number

ONTARIO

Province

N3T 5V3

Postal Code

Financial Institution (the "Bank"):

ROYAL BANK OF CANADA

Name of Bank

BRANTFORD

City

22 COLBORNE STREET

Address

ONTARIO

Province

N3T 2G2

Postal Code

1000967

Bank Account No.

00522

Branch No.

0003

Institution No.

The Board acknowledges that this Authorization is provided for the benefit of the OFA and the Bank, and is provided in consideration of the Bank agreeing to process debits against the Board's account in accordance with the rules of the Canadian Payments Association.

1. Purpose of Debits

☐ **Business PAD**

2. Pre Notification of Amounts

VariableAmounts: By signing below, the OFA and the Board agree to waive the requirement in the case of a variable amount pre-authorized debit, that the OFA will provide written notice to the Board of each amount to be debited and the date of the debit at least ten (10) calendar days before the date of each debit.

Authorized Signature of the Board: _____

Authorized Signature of the OFA: _____

3. Rights of Dispute

The Board may dispute a pre-authorized debit under the following conditions:

- (i) the debit was not drawn in accordance with this Authorization;
- (ii) this Authorization was revoked or cancelled; or
- (iii) pre-notification (as set out in paragraph 2 above) was not received.

In order to be reimbursed, the Board must complete a declaration form at the above indicated branch of the Bank up to and including 10 calendar days, after the date on which the debit in dispute was posted to the Board's account.

The Board acknowledges that disputes after the above noted time limitations are matters to be resolved solely between the OFA and the Board.

4. Terms of Authorization to Debit the Above Account

The Board authorizes the OFA to debit or cause to be debited a variable amount from the above account (fill in as applicable) which amount will be debited with sporadic frequency determined by the Board in its sole discretion; provided that each such debit is for payment due and owing by the Board to the OFA in respect of a loan agreement dated as of November 15, 2006.

If the above variable amount will be debited with sporadic frequency the OFA shall:

- (i) obtain authorization from the Board for each and every such pre-authorized debit prior to such debit being exchanged and cleared, or
- (ii) in the case where the pre-authorized debit will be initiated by telephone, personal computer or any other electronic device, the OFA shall provide the Board with a password or secret code or other signature equivalent that will identify the Board and shall constitute valid authorization for the Bank to debit the Board's above account.

The Bank is not required to verify that any debits drawn or caused to be drawn by the Board are in accordance with this Authorization or any agreement made between the Board and the OFA as a condition to honoring any debits drawn or caused to be drawn by the Board on the Board's above account.

The Board acknowledges that, in order to revoke or cancel this Authorization, the Board must provide notice of revocation or cancellation to the OFA. This Authorization may be revoked or cancelled at any time upon notice being provided by the Board, either in writing or orally with proper authorization to verify the identity of the Board, within five business days before the date of the next debit. Cancellation or revocation of this Authorization does not terminate any contract for goods or services that exists between the Board and the OFA. This Authorization applies only to the method of payment and does not otherwise have any bearing on the contract for goods or services exchanged between the Board and the OFA.

The Board represents that all information provided with respect to the above account is complete and accurate. A specimen cheque if available for this account has been marked "VOID and is attached to this Authorization. The Board undertakes to inform the OFA, in writing, of any change in the account information provided in this Authorization within 5 business days prior to the date of the next debit.

The Board acknowledges that any delivery of this Authorization to the OFA constitutes delivery by the Board to the OFA and the Bank. The Board represents to the OFA and the Bank that all persons whose signatures are required to sign on the above account have signed this Authorization. The Board acknowledges receipt of a signed copy of this Authorization. The Board acknowledges that it has read, understands, and accepts the terms and conditions of this Authorization.

Signature(s) or Authorized Signature(s) of Account Holder(s) (Date)

Signature(s) or Authorized Signature(s) of Account Holder(s) (Date)

*******For verification, please attach a blank cheque marked "VOID" to the completed Agreement.*******

GRAND ERIE DISTRICT SCHOOL BOARD**SCHEDULE "C" TO BY-LAW NUMBER 10****AMORTIZATION SCHEDULE**

Organization Name: Grand Erie District School Board
 Principal Amount (\$): \$11,845,000.00
 Annual interest Rate (%): 4.56%
 Loan Term (Years): 25
 Loan Date (m/d/yyyy): 11/15/2006
 Maturity Date (m/d/yyyy): 11/15/2031
 Payment Frequency: SemiAnnual
 Loan Type: Amortize

Payment Date	Total Payment	Principal Amount	Interest Amount	Principal Balance
5/15/2007	\$399,470.22	\$129,404.22	\$270,066.00	\$11,715,595.78
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5/15/2009	\$399,470.22	\$141,615.67	\$257,854.55	\$11,167,794.34
11/16/2009	\$399,470.22	\$144,844.51	\$254,625.71	\$11,022,949.83
5/17/2010	\$399,470.22	\$148,146.96	\$251,323.26	\$10,874,802.87
11/15/2010	\$399,470.22	\$151,524.71	\$247,945.51	\$10,723,278.16
5/16/2011	\$399,470.22	\$154,979.48	\$244,490.74	\$10,568,298.68
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11/15/2019	\$399,470.22	\$227,361.24	\$172,108.98	\$7,321,278.38
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11/16/2020	\$399,470.22	\$237,847.10	\$161,623.12	\$6,850,886.21
5/17/2021	\$399,470.22	\$243,270.01	\$156,200.21	\$6,607,616.20

GRAND ERIE DISTRICT SCHOOL BOARD

SCHEDULE "C" TO BY-LAW NUMBER 10

AMORTIZATION SCHEDULE

Organization Name: Grand Erie District School Board
 Principal Amount (\$): \$11,845,000.00
 Annual interest Rate (%): 4.56%
 Loan Term (Years): 25
 Loan Date (m/d/yyyy): 11/15/2006
 Maturity Date (m/d/yyyy): 11/15/2031
 Payment Frequency: SemiAnnual
 Loan Type: Amortize

Payment Date	Total Payment	Principal Amount	Interest Amount	Principal Balance
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5/16/2022	\$399,470.22	\$254,489.59	\$144,980.63	\$6,104,310.04
11/15/2022	\$399,470.22	\$260,291.95	\$139,178.27	\$5,844,018.09
5/15/2023	\$399,470.22	\$266,226.61	\$133,243.61	\$5,577,791.48
11/15/2023	\$399,470.22	\$272,296.57	\$127,173.65	\$5,305,494.91
5/15/2024	\$399,470.22	\$278,504.94	\$120,965.28	\$5,026,989.97
11/15/2024	\$399,470.22	\$284,854.85	\$114,615.37	\$4,742,135.12
5/15/2025	\$399,470.22	\$291,349.54	\$108,120.68	\$4,450,785.58
11/17/2025	\$399,470.22	\$297,992.31	\$101,477.91	\$4,152,793.27
5/15/2026	\$399,470.22	\$304,786.53	\$94,683.69	\$3,848,006.74
11/16/2026	\$399,470.22	\$311,735.67	\$87,734.55	\$3,536,271.07
5/17/2027	\$399,470.22	\$318,843.24	\$80,626.98	\$3,217,427.83
11/15/2027	\$399,470.22	\$326,112.87	\$73,357.35	\$2,891,314.96
5/15/2028	\$399,470.22	\$333,548.24	\$65,921.98	\$2,557,766.72
11/15/2028	\$399,470.22	\$341,153.14	\$58,317.08	\$2,216,613.58
5/15/2029	\$399,470.22	\$348,931.43	\$50,538.79	\$1,867,682.15
11/15/2029	\$399,470.22	\$356,887.07	\$42,583.15	\$1,510,795.08
5/15/2030	\$399,470.22	\$365,024.09	\$34,446.13	\$1,145,770.99
11/15/2030	\$399,470.22	\$373,346.64	\$26,123.58	\$772,424.35
5/15/2031	\$399,470.22	\$381,858.94	\$17,611.28	\$390,565.41
11/17/2031	\$399,470.30	\$390,565.41	\$8,904.89	\$0.00
Total:	\$19,973,511.08	\$11,845,000.00	\$8,128,511.08	