

APPROVED

As to Form

City Solicitor

As to Contents

Head of Department

BYLAW NO. 9702 (as amended)

A Bylaw to amend Bylaw No. 6319 and to provide
for the issue of debentures of the City
in the aggregate principal amount of
\$75,000,000
for the purposes and upon the terms herein referred to.

WHEREAS The City of Edmonton did, by Bylaw No. 6319, finally passed, as amended, on the 24th day of June, 1981, pursuant to Sections 311 and 320 of the Municipal Government Act, R.S.A. 1970, ch. 246, (now sections 324 and 334 of the Municipal Government Act, R.S.A. 1980, ch. M-26) authorize the Municipal Council of The City of Edmonton to incur an indebtedness on behalf of The City of Edmonton by the issuance of debentures for the purpose of the construction of the Genesee Generating Station in the total amount of \$1,034,174,000 to be repaid over a period of 25 years with interest payable at a rate not exceeding 16% per annum payable annually;

AND WHEREAS, pursuant to Section 333 of the Municipal Government Act, R.S.A. 1970, ch. 246, the City did pass Bylaw No. 6545 on the 9th day of September, 1981, to amend the interest rate payable on the debentures authorized by Bylaw No. 6319 from a rate of interest not exceeding 16% per annum to a rate not exceeding 20% per annum;

AND WHEREAS the City did, pursuant to Section 324 and Section 334 of the Municipal Government Act, R.S.A. 1980, ch. M-26, pass Bylaw No. 6729, as amended, on the 9th day of February, 1982 to authorize the Municipal Council of The City of Edmonton to incur an indebtedness on behalf of The City of Edmonton by the issuance of debentures in the total amount of \$78,000,000 for the purchase of turbine generators, pumps and related equipment for the Genesee Generating Station;

AND WHEREAS pursuant to Section 342(2)(c) of the Municipal Government Act R.S.A. 1980, ch. M-26, the City did pass Bylaw No. 6862 on the 23rd day of February, 1982 to reduce the sum that may be borrowed under Bylaw No. 6319 from \$1,034,174,000 to \$956,174,000;

AND WHEREAS the City has heretofore authorized the issue of portions of the total principal amount of debentures authorized to be issued by Bylaw No. 6319 as amended by Bylaw Nos. 6545 and 6862 as follows:

<u>Bylaw No.</u>	<u>Date of Passage</u>	<u>Principal Amount of Debentures Authorized</u>
7095	February 22, 1983	\$ 50,000,000
7243	May 24, 1983	50,000,000
7483	August 2, 1984	50,000,000
7277	November 13, 1984	50,000,000
7670	November 26, 1985	50,000,000
8057	January 27, 1987	50,000,000
8714	November 24, 1987	150,000,000
8745 as amended	January 26, 1988	150,000,000
8452	February 9, 1988	75,000,000
8553	April 12, 1988	75,000,000
9462	November 27, 1990	75,000,000

AND WHEREAS the Minister of Municipal Affairs, by Ministerial Order No. 54/87 dated January 12, 1987, granted to the City an extension of time up to and including June 24, 1993, during which to incur an indebtedness as described in Bylaw No. 6319.

AND WHEREAS Section 353.1 of the Municipal Government Act, R.S.A. 1980, ch. M-26 provides as follows:

"353.1 (1) This section applies to a municipality with a population in excess of 40,000 persons.

(2) When a by-law has been passed under section 324 or 353 to authorize debenture borrowing, the council, without the assent of the proprietary electors, may pass by-laws

(a) governing the issue and sale of debentures in an amount or amounts not exceeding in the aggregate the amount prescribed in the by-law authorizing debenture borrowing, and

(b) governing the method of repaying at maturity or renewing at maturity or redeeming prior to maturity the whole or any part of any outstanding debentures or other securities of the municipality notwithstanding that those debentures were issued before or after the coming into force of this section.

(3) A by-law under subsection (2) may specify

- (a) the date or dates of the debentures,
- (b) the interest rate or rates of the debentures,
- (c) the currency or currencies or units of monetary value in which the debentures are payable,
- (d) the place or places where the debentures are payable,
- (e) the time or times at which the debentures are payable, and
- (f) the manner and terms and conditions of payment of the debentures.

(4) Every by-law under subsection (2) shall provide for raising sufficient money in lawful money of Canada in each year during the currency of the debentures as may be required to pay annually the following:

- (a) the interest on the debentures;
- (b) any principal amount of the debt falling due in the year to the extent that no sinking fund is available for such purpose;
- (c) in the case of sinking fund debentures, a specific amount which, with a projected rate of earnings, compounded annually, will be sufficient to pay the principal of the debentures at maturity

and to the extent that sufficient money is not available from its other sources of revenue shall provide for the levy of a tax at a uniform rate on the assessed value of all assessed property shown on the assessment roll.

(5) The levy referred to in subsection (4) need not be made to the extent that provision has been made for the issue and sale of further debentures to refund the principal of any debentures falling due in that year.

(6) A by-law under subsection (2) may authorize the municipality to issue a temporary or global debenture in any form and in any denomination or denominations that may be appropriate which shall be valid and binding on the municipality and shall be exchangeable in the manner provided therein for one or more definitive debentures to an equivalent aggregate principal amount payable on the same date and bearing the same rate of interest.

(7) Without restricting the generality of subsection (2),

(a) the term of any debenture issued under this section may be made retractable at the option of the holder thereof to a date or dates prior to the stated maturity date on notice given to the treasurer in the manner provided for in the debentures;

(b) the term of any debenture issued under this section may be made extendible at the option of the holder thereof to a date subsequent to the stated maturity date and at the same or a different rate of interest on notice given to the treasurer in the manner provided for in the debenture;

(c) any by-law authorizing the issue of new debentures to refund retractable debentures at an early redemption date or to refund extendible debentures at their extended maturity date shall provide for the raising of sufficient money to pay the principal and interest on the new debentures in the same manner pursuant to subsection (4) as for the debentures that are being refunded.

(8) Any by-law under subsection (2) shall not take effect unless and until it is approved by the Local Authorities Board.

(9) Notwithstanding the Local Authorities Board Act or this Act, but subject to the prior approval of the Local Authorities Board, a by-law under subsection (2) may be given all 3 readings and may be finally passed at the same council meeting by a vote of at least 2/3 of the whole council.

(10) Debentures issued under a by-law passed under this section may be countersigned by the Local Authorities Board and the provisions of section 350 apply to any debentures so countersigned."

AND WHEREAS the Municipal Council of The City of Edmonton desires to provide, pursuant to said Section 353.1 of the Municipal Government Act, in respect of a further \$75,000,000 in principal amount of the total principal amount of the debentures authorized by Bylaw No. 6319, for a change in the mode of issue of such additional debentures, in the places where they are payable and in the manner of repayment as authorized by the Local Authorities Board, that such additional debentures be issued as fully registered debentures with provision for the payment of interest by cheque;

AND WHEREAS in the opinion of the Municipal Council of The City of Edmonton, with a view to the better marketing of such further \$75,000,000 in

principal amount of the total principal amount of the debentures authorized by Bylaw No. 6319, pursuant to Section 353.1 of the Municipal Government Act, it is desirable to provide, that, in respect of such additional debentures the period over which the indebtedness will be spread be reduced from 25 years to 20 years with a corresponding change in the amount to be raised annually with respect thereto and that interest thereon be payable at a rate not exceeding 10 3/4% per annum;

AND WHEREAS all required approvals of the Department of the Environment of the Province of Alberta have been applied for and the said Department has allowed the construction of the Genesee Generating Station to proceed, including all work to be funded by the money raised through debentures issued under the authority of this Bylaw;

AND WHEREAS, to date, there are no permits required under the Clean Water Act in respect of the work to be funded by the money raised through the issue of debentures under the authority of this Bylaw;

AND WHEREAS the total amount of the equalized assessment in the City as last determined and fixed by the Assessment Equalization Board is \$16,626,135,420.00;

AND WHEREAS the total amount of the existing debenture debt of the City is \$2,010,755,090.63 at December 31, 1990 and no part of the principal or interest thereof is in arrears.

NOW THEREFORE the Municipal Council of The City of Edmonton duly assembled enacts as follows:

1. That \$75,000,000 in principal amount of the debentures authorized by Bylaw No. 6319 shall be dated the 16th day of May, 1991 and shall be payable as to both principal and interest in lawful money of Canada at any branch of The Toronto-Dominion Bank in Canada, at the option of the holder,

(such debentures being hereinafter referred to as the "Debentures of this issue").

2. That the Debentures of this issue be designated Series NB, bear interest from the 16th day of May, 1991 at the rate of 10 3/4% per annum payable semi-annually on the 16th day of May and on the 16th day of November in each year of their currency and be payable on the 16th day of May, 2011.

3. That the Debentures of this issue be issued as fully registered Debentures without coupons in denominations of \$1,000 or any integral multiple thereof and shall be transferable and exchangeable as provided therein and upon the conditions endorsed thereon.

4. That the Debentures of this issue shall be substantially in the form set out in Schedule "A" hereto, and shall be subject to and with the benefit of the terms and conditions set out in Schedule "B" hereto, all of which terms and conditions are hereby approved.

5. (1) That the Debentures of this issue shall be in such form as may be approved by the Local Authorities Board of the Province of Alberta and shall be sealed with the Seal of the City, and the said Debentures shall be signed by the Mayor, and by the Treasurer, the Assistant Treasurer, or the Deputy Treasurer as "Authorized Signing Officer", provided that

- (a) the Seal of the City may be reproduced on the Debentures by engraving, lithographing, printing or other method of mechanical reproduction;
- (b) the signature of the Mayor on the Debentures may be reproduced by lithographing or printing or any other method of mechanical reproduction;

(2) That the Debentures of this issue shall contain a memorandum signed by the Treasurer that the same have been registered in The Debenture Register of the City and the signature of the Treasurer thereto may be reproduced by lithographing or printing or any other method of mechanical reproduction.

6. That in each year of the currency of the Debentures of this issue, there shall be assessed, levied and raised against all the rateable property in the City, over and above all other rates, at the same time and in the same manner as other rates, such amounts as will be necessary to pay the interest falling due in such year on the debentures and to provide for the sinking fund payments referred to in paragraph 7 hereof, provided that no such rate need be levied in any year to the extent that moneys are available and applied for the purpose from the revenues of the City.

7. That the City will deposit in an accumulative sinking fund, on or before the 16th day of May in each of the years 1992 to 2011, both inclusive, the sum of \$2,268,194.04, being the amount which with interest at the rate of 5% per annum capitalized yearly, will be sufficient to pay the Debentures of this issue at the maturity thereof.

8. That the Debentures of this issue will be direct, unconditional and general obligations of The City of Edmonton and the full faith and credit of the City is pledged for the due and punctual payment of the principal of and interest on the said Debentures and for the due and punctual performance of all obligations of the City with respect thereto. The said Debentures rank and will rank concurrently and pari passu with all other debenture indebtedness of the City outstanding on their date of issue or issued thereafter, without any preference one above the other by reason of priority of date of issue, currency of payment or otherwise.

9. That, if the revenues of the City are insufficient to make any payments of principal of and interest on the Debentures of this issue, the City shall increase its revenues to cover such deficiency by increasing taxes.

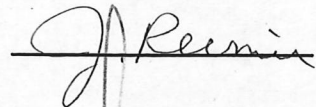
10. That the net proceeds realized from the sale of the Debentures of this issue shall be applied for the purpose of the construction of the Genesee Generating Station, as authorized by Bylaw No. 6319.

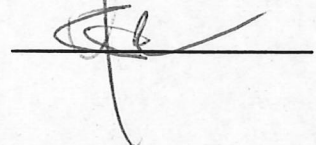
11. If any Debenture of this issue shall at any time become mutilated or destroyed or stolen or lost, and such Debenture, or evidence of the loss, theft or destruction thereof (together with the indemnity hereinafter referred to and such other documents or proof as may be required in the premises) shall be delivered to the City at the office of the Treasurer, a new Debenture of like tenor and date will be issued by the City in exchange for the Debenture so mutilated, or in lieu of the Debenture so destroyed or stolen or lost, but, in the case of any destroyed or stolen or lost Debenture, only upon receipt of evidence satisfactory to the City that such Debenture was destroyed or stolen or lost, and if required, upon receipt also of indemnity satisfactory to it. All expenses and reasonable charges associated with procuring such indemnity and with the preparation, authentication and delivery of a new Debenture shall be borne by the owner of the debenture mutilated, destroyed, stolen or lost.

12. That this Bylaw shall not take effect until the approvals of the Local Authorities Board thereto and to the forms of Debenture authorized hereunder have been obtained.

READ a first time this 26th day of February A.D. 1991;
READ a second time this 23rd day of April , A.D. 1991;
READ a third time and duly passed this 23rd day of April , A.D. 1991.

THE CITY OF EDMONTON

 Mayor

 City Clerk

SCHEDULE "A" TO BYLAW NO. 9702 OF THE CITY OF EDMONTON

CANADA

PROVINCE OF ALBERTA

\$
No. NB

\$
No. NB

THE CITY OF EDMONTON

10 3/4% DEBENTURE, SERIES NB

The City of Edmonton (the "City") for value received hereby promises to pay to or registered assigns on the 16th day of May, 2011, on presentation and surrender of this Debenture, the principal sum of

DOLLARS

in lawful money of Canada at any branch of The Toronto-Dominion Bank in Canada, at the option of the holder, and to pay interest thereon from the 16th day of May, 1991 or from the last interest payment date on which interest has been paid or made available for payment on the outstanding Debentures of this issue, whichever is later, at the rate of 10 3/4% per annum payable semi-annually on the 16th day of May and on the 16th day of November in each year of the currency of this Debenture in the manner provided in the Conditions endorsed hereon.

This Debenture forms part of an issue of Debentures of the City in the principal amount of \$75,000,000, maturing on the 16th day of May, 2011, issued under the authority of the Municipal Government Act, Revised Statutes of Alberta 1980, Chapter M-26, as amended, and Bylaw No. 9702 of The City of Edmonton.

The Debentures of this issue are direct, unconditional and general obligations of the City, and the full faith and credit of the City is pledged for the due and punctual payment of the principal and interest of the Debentures and for the due and punctual performance of all obligations of the City in respect thereto. This Debenture ranks and will rank concurrently and pari passu with all other debenture indebtedness of the City outstanding at the date of issue of this Debenture or issued thereafter without any preference one above the other by reason of priority of date of issue, currency of payment or otherwise. If the revenues of the City are insufficient to make such payments of principal and interest, the City covenants to raise the deficiency by an increase in taxes.

It is hereby certified and declared that all acts, conditions and things necessary to be done and to exist precedent to and on the issuance of this Debenture are and have been properly done, fulfilled and performed and do exist in regular and due form as required by the laws of Canada and of the Province of Alberta and the bylaws of the City and resolutions of the Municipal Council applicable thereto.

This Debenture is subject to the Conditions endorsed hereon which form part hereof.

IN WITNESS WHEREOF this Debenture is sealed with the Seal of THE CITY OF EDMONTON, and bears the facsimile signature of the Mayor and is duly signed by an Authorized Signing Officer of the City.

Dated May 16th, 1991

Authorized the day of
A.D. by Order no.
countersigned and sealed:

and

Mayor

LOCAL AUTHORITIES BOARD
PROVINCE OF ALBERTA.

Member.

Authorized Signing Officer

BACK OF DEBENTURE

Registered in The Debenture Register as No. NB- under By-law No. 9702

Treasurer

FOR VALUE RECEIVED
and transfers unto
within Debenture, together with accrued interest thereon, hereby irrevocably
constituting and appointing
Debenture on The Debenture Register with full power of substitution.

herein assigns
the principal of the
attorney to transfer the said

Dated this day of , .

In the presence of

Transferor

The undersigned hereby guarantees
the above signature of the Transferor.

(Bank, Member of the Investment Dealers'
Association of Canada or Notary Public)

this day of , .

SCHEDULE "B" TO BYLAW NO. 9702 OF THE CITY OF EDMONTON

THE CONDITIONS WITHIN REFERRED TO

1. The Debentures of this issue are issuable as fully registered Debentures without coupons in denominations of \$1,000 or any integral multiple thereof.
2. The Treasurer of the City will cause to be kept at his office in The City of Edmonton, Alberta, The Debenture Register in which shall be entered the names and addresses of the holders of Debentures of this issue and the particulars of the Debentures held by them respectively and in which transfers of such Debentures may be registered.
3. The Debentures of this issue are transferable upon presentation for such purpose accompanied by a written instrument of transfer in form approved by the City, executed by the registered holder thereof or by his duly authorized attorney, whereupon and upon cancellation of such Debentures one or more Debentures of this issue having the same maturity and of an equal aggregate principal amount will be delivered to the transferee.
4. The Debentures of this issue when surrendered accompanied by an instrument of transfer in form approved by the City executed by the registered holder thereof or by his duly authorized attorney, may be exchanged for an equal aggregate principal amount of Debentures of this issue having the same maturity in any other authorized denomination or denominations.
5. The City shall not be required to make any transfers, registrations or exchanges of Debentures for a period of thirty (30) days preceding any interest payment date.
6. All transfers, registrations and exchanges of Debentures of this issue shall be effected at the office of the Treasurer in The City of Edmonton, Alberta.
7. Transfers, registrations and exchanges of Debentures shall be made as aforesaid upon compliance by the Debenture holders with such reasonable regulations as may be prescribed by the City in the premises, and the City shall not be entitled to make any charge in respect of any such transfers, registrations or exchanges.
8. Neither the City nor any registrar appointed by the City shall 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.
9. The interest on the Debentures will be paid by cheque payable at par in lawful money of Canada at any of the places where the principal of the Debenture is payable. Cheques for interest shall be made payable to the order of the holder, or in the case of joint holders to the order of all such joint holders (failing written instructions from them to the contrary), and shall be sent through the post to the registered address of the registered holder, or in the case of joint holders to the registered address of that one of the

registered joint holders who is first named on the Register, or to such person and to such address as the registered holder or registered joint holders may in writing direct. The registered holder of a Debenture or his legal personal representatives will be regarded as exclusively entitled to the principal sum thereby secured and, in the case of joint registered holders, the said principal sum shall be deemed to be owing to them on joint account.

10. In case any Debenture shall at any time become mutilated or destroyed or stolen or lost, and such Debenture, or evidence of the loss, theft or destruction thereof (together with the indemnity hereinafter referred to and such other documents or proof as may be required in the premises) shall be delivered to the City at the aforesaid office of the Treasurer, a new Debenture of like tenor and date will be issued by the City in exchange for the Debenture so mutilated, or in lieu of the Debenture so destroyed or stolen or lost, but, in the case of any destroyed or stolen or lost Debenture, only upon receipt of evidence satisfactory to the City that such Debenture was destroyed or stolen or lost, and, if required, upon receipt also of indemnity satisfactory to it. All expenses and reasonable charges associated with procuring such indemnity and with the preparation, authentication and delivery of a new Debenture shall be borne by the owner of the Debenture mutilated, destroyed, stolen or lost.