

**THE CORPORATION OF THE  
TOWNSHIP OF EDWARDSBURGH CARDINAL**

**BY-LAW NO. 2022-10**

**“A BY-LAW TO AMEND BYLAW 2021-36 TO EXECUTE AN AGREEMENT FOR  
CREDIT AND LEASE FACILITIES WITH THE ROYAL BANK OF CANADA  
FOR THE PURCHASE OF INDUSTRIAL PROPERTY ON BEHALF OF THE PORT  
OF JOHNSTOWN”**

**WHEREAS** the Municipal Act 2001, SO 2001, Chapter 25, Section 8(1) states that the powers of a municipality shall be interpreted broadly so as to confer broad authority on municipalities to govern their affairs as they consider appropriate and to enhance their ability to respond to municipal issues; and

**WHEREAS** the Municipal Act 2001, SO 2001, Chapter 25, Section 8(2) states that in the event of ambiguity, the ambiguity shall be resolved so as to include, rather than exclude, municipal powers that existed before the Municipal Act, 2001 came into force; and

**WHEREAS** the Municipal Act 2001, SO 2001, Chapter 25, Section 9 gives the Municipality the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this Act; and

**WHEREAS** the Municipal Act, 2001, SO 2001, Chapter 25, Section 401(1) provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt; and

**WHEREAS** the Council of the Corporation of the Township of Edwardsburgh Cardinal deems it advisable to amend the agreement for credit and lease facilities with the Royal Bank of Canada to add Facility (7) for a fixed rate term loan on behalf of the Port of Johnstown;

**NOW THEREFORE** the Council of the Corporation of the Township of Edwardsburgh Cardinal enacts as follows:

1. That Bylaw 2021-36 Schedule “A” of the agreement for credit and lease facilities with the Royal Bank of Canada is hereby amended to add Facility (7) as attached hereto, and shall form part of this bylaw.
2. That the Mayor and CAO are hereby authorized to execute the amendment to the agreement for credit and lease facilities and all necessary documents with the Royal Bank of Canada, on behalf of the Port of Johnstown for the purchase of industrial property located at 2822 County Road 2, Johnstown.
3. That the funds be directed into the Port of Johnstown general/working Fund account.
4. That all other provisions of Bylaw 2021-36 shall remain in force and effect.
5. That this bylaw shall come into force and take effect on the date of passing.

Read a first and second time in open Council this 24 day of January, 2022.

Read a third and final time, passed, signed and sealed in open Council this 7 day of February, 2022.

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Clerk



January 12, 2022

**Royal Bank of Canada**  
Commercial Financial Services  
90 Sparks Street  
Ottawa, Ontario K1P 5T6

**The Corporation of the Township of  
Edwardsburgh/Cardinal**  
18 Centre Street  
Spencerville, Ontario  
K0E 1X0

We refer to the agreement dated May 26, 2021 and any amendments thereto, between The Corporation of the Township of Edwardsburgh/Cardinal, as the Borrower, and Royal Bank of Canada, as the Bank, (the “**Agreement**”).

The Bank reserves all of its rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under any Bank document, and whether known or unknown, and this amending agreement shall not be construed as a waiver of any such breach, default or Events of Default.

All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

The Agreement is amended as follows:

1. Facility (7) is added as follows:

**CREDIT FACILITIES**

***Add***

Facility (7): \$2,250,000.00 non-revolving term facility by way of:

- (a) fixed rate term loans (“**FRT Loans**”).

**PURPOSE**

***Add***

**Facility (7)**

To finance purchase of the property located at 2822 County Road 2, Johnston, Ontario.

**AVAILABILITY**

***Add***

**Facility (7)**

The Borrower may borrow up to the amount of this term facility, provided:

- (a) this facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of this facility at any time and from time to time without notice or demand;

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- (b) FRT Loans may not be converted or reborrowed and must be repaid on their maturity;
- (c) an Event of Default shall not have occurred and be continuing at the time of any Borrowing.

### **REPAYMENT**

#### ***Add***

#### **Facility (7)**

Borrowings under this facility shall be repayable by consecutive, blended monthly payments of principal and interest each based on an amortization period of 20 years, on the same day of each month, commencing 30 days from the date of drawdown and the balance of this facility shall be repayable in full on the last day of a 1, 2, 3, 4 or 5 year term, as selected by the Borrower.

For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.

The specific repayment terms for Borrowings under this facility will be agreed to between the Borrower and the Bank at the time of drawdown by way of a Borrowing Request substantially in the form of Schedule "H" provided by the Borrower and accepted by the Bank.

### **INTEREST RATES AND FEES**

#### ***Add***

#### **Facility (7)**

FRT Loans: fixed interest rate to be quoted by the Bank and fixed at the time of Borrowing.  
Amount eligible for prepayment is to be determined.

### **BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

#### **CONDITIONS PRECEDENT**

The effectiveness of this amending agreement is conditional upon receipt of:

- a) a duly executed copy of this amending agreement;
- b) the Security provided for herein, registered, as required, to the satisfaction of the Bank;
- c) a copy of the purchase and sale agreement in the name of the township for the property located at 2822 County Road 2, Johnstown, Ontario;
- d) a borrowing by-law approving the financing granted under Facility (7);
- e) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- f) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

Additionally;

- g) all documentation to be received by the Bank shall be in form and substance satisfactory to the Bank.

#### **COUNTERPART EXECUTION**

This amending agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

All other terms and conditions outlined in the Agreement remain unchanged and in full force and effect.

This amending agreement is open for acceptance until February 12, 2022, after which date it will be null and void, unless extended by the Bank in its sole discretion.

**ROYAL BANK OF CANADA**

  
Per:  
Title: Vice President

**RBC Contact: Ellen Rivers-Cotter**

/kb

Agreed to and accepted this 7<sup>th</sup> day of February, 2022

**THE CORPORATION OF THE TOWNSHIP OF  
EDWARDSBURGH/CARDINAL**

Per: \_\_\_\_\_

Name: Peter Sargeant

Per: \_\_\_\_\_

Name: DAVE GRANT

I/We have the authority to bind the Borrower.

Schedule "H" to the agreement dated May 26, 2021, between The Corporation of the Township of Edwardsburgh/Cardinal, as Borrower, and Royal Bank of Canada, as the Bank.

# NON-REVOLVING TERM FACILITY

## BORROWING REQUEST

The Borrower hereby requests the following be established under Facility ( 7 ):

Date of Borrowing	Feb 8, 2022		
Amount of Borrowing:	\$ 2,250,000.00		
Amortization (in months):	240		
Selected Term (in months): (Borrowing repayable in full on the last day of the Term)	60		
Payment Amount:	\$ 12,489.48		
Payment Frequency:	<input checked="" type="checkbox"/> monthly <input type="checkbox"/> quarterly <input type="checkbox"/> annual		
Selected Interest Rate (per annum)/Acceptance Fee (per annum):	3.01% <input checked="" type="checkbox"/>	RBP +	% <input type="checkbox"/>
Selected Payment Type:	Blended (Principal and Interest) <input checked="" type="checkbox"/>	Principal plus Interest	<input type="checkbox"/>
First Payment Due Date:	Mar 8, 2022		
Amount Eligible for Prepayment of FRT Loans:	0% <input checked="" type="checkbox"/>	10%	<input type="checkbox"/>

Dated this 7<sup>th</sup> day of February, 202022

THE CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

Per: [Signature]  
Name: Mark Sykes  
Title: Mayor

Per: [Signature]  
Name: DAVE GRANT  
Title: CAO

I/We have the authority to bind the Borrower