

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
Regional District Security Issuing Bylaw**

BYLAW NO. 1310

A bylaw to authorize the entering into of an Agreement respecting financing between the Regional District of Central Okanagan and the Municipal Finance Authority of British Columbia

WHEREAS the Municipal Finance Authority of British Columbia (the "Authority") may provide financing of capital requirements for Regional Districts and for their member municipalities by the issue of debentures, or other evidence of indebtedness of the Authority and lending the proceeds to the Regional District on whose request the financing is undertaken.

AND WHEREAS pursuant to the provisions of Section 825 of the "Local Government Act", the amount of borrowing authorized by each of the following loan authorization bylaws, the amount already borrowed under the authority thereof, the amount of authorization to borrow remaining thereunder and the amount being issued under the authority thereof by this bylaw is as follows:

<u>L/A</u> <u>Bylaw</u>	<u>Purpose</u>	<u>Amount of</u> <u>Borrowing</u> <u>Authorized</u>	<u>Amount</u> <u>Already</u> <u>Borrowed</u>	<u>Borrowing</u> <u>Authority</u> <u>Remaining</u>	<u>Term</u> <u>of</u> <u>Issue</u>	<u>Amount</u> <u>of</u> <u>Issue</u>
1255	Upper Fintry Shalal Road & Valley of the Sun Water Distribution System	\$6,000,000.00	\$ 0.00	\$6,000,000.00	30 yrs.	\$4,902,846.00

TOTAL FINANCING pursuant to Section 825: \$4,902,846.00

AND WHEREAS the Regional Board, by this bylaw, hereby requests that such financing shall be undertaken through the Authority.

NOW THEREFORE THE REGIONAL BOARD OF THE REGIONAL DISTRICT OF CENTRAL OKANAGAN IN OPEN MEETING ASSEMBLED ENACTS AS FOLLOWS;

1. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Regional District of Central Okanagan and its member municipalities up to, but not exceeding Four Million Nine Hundred and Two Thousand Eight Hundred and Forty Six Dollars (\$4,902,846.00), in lawful money of Canada (provided that the Regional District Of Central Okanagan may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian dollars equivalents so borrowed shall not exceed Four Million Nine Hundred and Two Thousand Eight Hundred and Forty Six Dollars (\$4,902,846.00), in Canadian Dollars) at such interest and with such discounts or premiums and expense as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.

2. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and the Treasurer of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times that the Trustees of the Authority may request, enter into and deliver to the Authority one or more Agreements which said Agreement or Agreements shall be substantially in the form annexed hereto as "Schedule 'A'" and made part of the Bylaw (such Agreement or Agreements as may be entered into, delivered or substituted hereinafter referred to as "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
3. The Agreement in the form of Schedule 'A' shall be dated and payable in the principal amount or amounts of money in Canadian dollars or as the Authority shall determine and subject to the Local Government Act, in such other currency or currencies as shall be borrowed by the Authority pursuant to Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
4. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority and shall bear interest at a rate to be determined by the Treasurer of the Authority.
5. The Agreement shall be sealed with the seal of the Regional District and shall bear the signatures of the Chair and Treasurer.
6. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
7. During the currency of the obligation incurred under the said Agreement to secure borrowings in respect of Bylaw No. 1255 the anticipated revenues accruing to the Regional District from the operation of the Upper Fintry, Shalal Road and Valley of the sun Water Service Area are insufficient to meet the annual repayment of interest and the repayment of principal in any year, there shall be requisitioned an amount sufficient to meet any such insufficiency.
8. The Regional District shall provide and pay over to the Authority such sums as required to discharge its obligations in accordance with the terms of the Agreement, provided however that if the sums provided for in the Agreement are not sufficient to meet the obligations of the Authority, and deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional District shall make provision to discharge such liability.
9. The Regional District shall pay over to the Authority at such time or times as the Treasurer of the Authority so directs such sums as are required pursuant to section 15 of the *Municipal Finance Authority Act* to be paid into the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

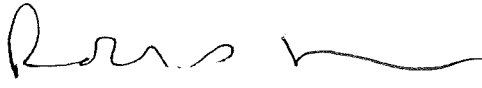
10. This bylaw may be cited as "Regional District of Central Okanagan Security Issuing Bylaw No. 1310, 2012".

READ A FIRST TIME THIS 23rd DAY OF July 2012.

READ A SECOND TIME THIS 23rd DAY OF July 2012.

READ A THIRD TIME THIS 23rd DAY OF July 2012.

RECONSIDERED AND ADOPTED THIS 23rd DAY OF July 2012.



CHAIR



DIRECTOR OF CORPORATE SERVICES

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 1310 cited as the "Regional District of Central Okanagan Security Issuing Bylaw No. 1310, 2012" as read a first, second and third time and adopted by the Regional Board on the 23rd day of July, 2012.

Dated at Kelowna, B.C. this
23rd day of July 2012



DIRECTOR OF CORPORATE SERVICES

SCHEDULE 'A'

CANADA

PROVINCE OF BRITISH COLUMBIA

AGREEMENT

REGIONAL DISTRICT OF CENTRAL OKANAGAN

The Regional District of Central Okanagan (the "Regional District") hereby promises to pay to the Municipal Finance Authority of British Columbia (the "Authority") at its Head Office in Victoria, British Columbia the sum of Four Million Nine Hundred and Two Thousand Eight Hundred and Forty Six Dollars (\$4,902,846.00) in lawful money of Canada, together with interest thereon from the day of 2012, at varying rates of interest calculated semi-annually in each and every year during the currency of this Agreement; and payments of principal and interest shall be as specified in the table appearing on the reverse hereof commencing on the day of 2012 provided in the event the payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority such further sums as are sufficient to satisfy the obligations of the Regional District to the Authority.

Dated at Kelowna, British Columbia, this day of , 2012

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1310 cited as "Regional District of Central Okanagan Security Issuing Bylaw No. 1310, 2012". This Agreement is sealed with the Corporate Seal of the Regional District of Central Okanagan and signed by the Chairperson and Treasurer thereof.

CHAIRPERSON

TREASURER

Pursuant to the "Local Government Act", I certify that this Agreement has been lawfully and validly made and issued and that its validity is not open to question on any ground whatever in any court of the Province of British Columbia.

Dated

INSPECTOR OF MUNICIPALITIES

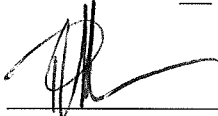
CORPORATE OFFICER'S CERTIFICATE (Form SI)

The Regional District of Central Okanagan (the "Regional District")

The undersigned, Corporate Officer, as the person responsible for corporate administration of the Regional District under section 198 of the *Local Government Act*, hereby certifies as follows:

1. That Security Issuing Bylaw No. 1310 (the "Security Issuing Bylaw") was duly and properly enacted in accordance with the provisions of the *Local Government Act* at a duly constituted meeting of the Regional District in accordance with the requirements of the Regional District's applicable procedure bylaw and at which a quorum was present and acting throughout. **(Attached is an adopted copy of the Security Issuing Bylaw)**
2. That the Security Issuing Bylaw has not been amended or repealed and is in full force and effect as at the date hereof.
3. More than ten days has elapsed since the adoption of the Security Issuing Bylaw and no application has been made or action or proceeding brought to quash or to set aside the Security Issuing Bylaw under section 262 of the *Local Government Act* or otherwise and the validity of the Security Issuing Bylaw has not been attached, questioned or adjudicated in any court and to the best of the knowledge of the undersigned no such action is pending or has been threatened and the undersigned knows of no objections to the validity of the Security Issuing Bylaw.

DATED this 8th day of August , 2012.



Corporate Officer

Paul Macklem

(Please print full name)



Certificate of Approval

Under the authority of the *Local Government Act*, I certify that Bylaw No. 1310, cited as the "Regional District of Central Okanagan Security Issuing Bylaw No. 1310, 2012" of the Regional District of Central Okanagan has been lawfully and validly made and enacted, and that its validity is not open to question on any ground in any court of British Columbia.

Dated this 22nd *day*
of August , 2012



Deputy Inspector of Municipalities of British Columbia