

BYLAW NO. 2019-34

THE GENERAL CAPITAL DEBENTURE BYLAW, 2019

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THE COUNCIL OF THE CITY OF REGINA ENACTS AS FOLLOWS:

**Purpose**

1 The purpose of this Bylaw is to authorize the borrowing of \$12,000,000 through the issuance of debentures.

**Authority**

2 The authority for this Bylaw is *The Cities Act* and in particular Part IX, Divisions 6 and 7 of the Act.

**Definitions**

3 In this Bylaw:

“**2009 General Capital Program**” means the 2009 General Capital Program which was approved by City Council on April 20, 2009 and includes general capital expenditures and the redevelopment of Evraz Place;

“**2009 Water and Sewer Utility Capital Program**” means the 2009 Water and Sewer Utility Capital Program which was approved by City Council on April 20, 2009 and includes the following capital expenditures:

- (a) upgrades to the McCarthy Pump Station and Force mains;
- (b) general infrastructure renewal; and
- (c) the expansion, improvement and renewal of the City’s Wastewater Treatment Plant;

“**Aggregate Principal Amount**” means \$12,000,000 in lawful money of Canada;

“**CDS**” means CDS Clearing and Depository Services Inc.;

“**City**” means the City of Regina;

“**Debenture**” and “**Debentures**” means the debentures authorized to be created and issued pursuant to this Bylaw, which may be issued hereunder in an amount not exceeding the Aggregate Principal Amount;

“**Definitive Debenture**” means a Debenture in fully registered form in an amount specified on the face of the Debenture;

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

City Solicitor

“**Executive Director**” means the person appointed from time to time as Executive Director, Financial Strategy and Sustainability for the City by the City Manager;

“**Global Debenture**” means the Debenture issued in fully registered global form in the name of CDS & CO., being the nominee of CDS;

“**Participants**” means the persons who purchase a beneficial interest in the Global Debenture.

#### **Authorization to Issue**

- 4(1) The City received approval of the re-establishment of its long-term debt limit of \$450,000,000 granted by the Saskatchewan Municipal Board on October 5, 2016.
- (2) The City’s outstanding debt as of May 27, 2019 totals \$316,890,846.50.
- (3) Given that the City’s total outstanding debt as of May 27, 2019 and the debt authorized pursuant to this Bylaw results in debt that is below the debt limit established by the Saskatchewan Municipal Board, the City shall borrow the sum of \$12,000,000 (Canadian funds) for the purposes set out in section 5 of this Bylaw.

#### **Purpose of the Borrowing**

- 5 The money borrowed by the City shall be used for the purpose of repaying the final payment under the debt obligations set out in Bylaw 2009-34 being *The General and Utility Capital Debenture Bylaw, 2009*, which was used to fund the City’s 2009 General Capital Program including redevelopment of Evraz Place and the City’s 2009 Water and Sewer Utility Capital Program.

#### **Details of Debenture**

- 6(1) The City shall create and issue the Debentures which shall be direct obligations of the City.
- (2) The Debentures:
  - (a) shall mature on and be repayable in installments in each year from 2020 to 2025 inclusive on May 31 in each year, in the amounts set forth in Schedule “A”, and shall bear interest at the rates provided in section 12;
  - (b) will not be redeemable prior to maturity; and
  - (c) shall initially be represented by the Global Debenture.
- 7 The proceeds of the sale of the Debentures, after providing for the discount, if any, and the expenses of negotiation and sale, shall be apportioned and applied to repay

and retire the debt obligations set out in Bylaw 2009-34 being *The General and Utility Capital Debenture Bylaw, 2009* and for no other purpose.

### **Issuance**

- 8(1) The Executive Director or their designate is authorized to:
- (a) cause any number of Debentures, initially represented by the Global Debenture, to be issued in such principal amounts as may be required from time to time, but not less than \$1,000 and not at any time exceeding in the aggregate the Aggregate Principal Amount;
  - (b) cause the Debentures to be sold at such price or prices as he may determine; and
  - (c) enter into all necessary agreements with fiscal agents and with CDS, and generally to do all things and to execute all documents and other papers in the name of the City, in order to carry out the creation, issuance and sale of the Debentures as provided in this Bylaw.
- (2) The Executive Director or their designate is authorized to affix the City's seal to all documents and papers required by clause 8(1)(c).

### **Form of Debentures**

- 9(1) The Debentures shall be in the form set out in Schedule "B" of this Bylaw.
- (2) The Debentures shall be sealed with the City's seal and signed by:
- (a) the Mayor or Deputy Mayor if the Mayor is away or unable to act; and
  - (b) the Executive Director or their designate,
- and such individuals are duly authorized hereby to sign and seal the Debentures.
- (3) Except for the signature of the Executive Director or their designate certifying the registration of the Debentures in the Securities Register of the City, the signatures in subsection (2) may be reproduced by lithographing or printing or any other method of mechanical reproduction.
- (4) The Debentures shall initially be issued in fully registered global form (represented by the Global Debenture) in the name of the nominee of CDS, being CDS & CO., with provision for the payment of the principal and interest by cheque sent by post to the registered address of the registered holder.

- (5) The Debentures may contain any provision for their registration authorized by law.

**Budget Provision**

- 10 The Council of the City shall make provision in the City's Budget each year from 2019 to 2025 inclusive, for the sums necessary to meet payment of principal and interest on the Debentures falling due each year from 2019 to 2025 inclusive.

**Source of Payment**

- 11(1) Payment of principal and interest on the Debentures shall come from the following sources:
- (a) municipal property taxes; and
  - (b) the City's general revenue fund.
- (2) When repaying the principal and interest on the Debentures falling due each year, the Executive Director shall ensure that the payments of principal and interest come from the appropriate sources set out in subsection (1).

**Payment of Principal and Interest**

- 12(1) The Debentures shall be dated May 31, 2019, and shall be expressed as payable, as to both principal and interest, in Canadian dollars.
- (2) The Debentures maturing each year (and in the case of the Global Debenture, the annual amount of principal payable thereunder) shall bear interest from the date of the Debenture, at the following rates:
- (a) Debentures maturing (principal payable) May 31, 2020 – 1.950% per annum;
  - (b) Debentures maturing (principal payable) May 31, 2021 – 1.950% per annum;
  - (c) Debentures maturing (principal payable) May 31, 2022 – 2.050% per annum;
  - (d) Debentures maturing (principal payable) May 31, 2023– 2.150% per annum;
  - (e) Debentures maturing (principal payable) May 31, 2024– 2.250% per annum;
  - (f) Debentures maturing (principal payable) May 31, 2025– 2.350% per annum;

annum.

- (3) The annual amount of principal payable in respect of the Debentures shall be paid on May 31 in each of the years 2020 to 2025, inclusive, as shown in Schedule "A".
- (4) Interest on the Debentures shall be payable semi-annually on May 31 and November 30, in each year of the term of the Debentures commencing November 30, 2019 and in each case, to the date of maturity of the respective Debentures and shall be payable both before and after default.
- (5) Any amounts payable by the City as interest on overdue principal or interest in respect of the Debentures shall be paid out of current revenue.
- (6) Payments of principal and interest in respect of the Global Debenture will be made by cheque mailed to the registered address of the registered holder of the Global Debenture or, if authorized in writing, by electronic transfer.

#### **Securities Register**

- 13 The Executive Director or their designate shall keep a Securities Register in which shall be entered:
  - (a) the names and addresses of the holders of the Debentures;
  - (b) the particulars of the Debentures held by the holders;
  - (c) the transfers of Definitive Debentures; and
  - (d) particulars of this Bylaw.

#### **Exchange of Global Debenture**

- 14(1) The City shall enter into an Agreement with CDS to provide for the exchange of the Global Debenture.
- (2) The Global Debenture shall be exchangeable for Definitive Debentures in denominations of \$1,000 and multiples thereof, upon surrender of the Global Debenture to the Executive Director and in accordance with the terms and conditions of the Agreement with CDS.
- (3) The Definitive Debentures in subsection (2) shall, with respect to the Global Debenture:
  - (a) aggregate the same principal amount as the principal outstanding balance, as at the date of exchange;

- (b) bear the same interest rates, interest payment dates and maturity dates;
  - (c) bear all unmatured interest obligations; and
  - (d) be substantially the same in every respect, other than as to form.
- (4) In issuing Definitive Debentures, no change shall be made in the amount which would otherwise be payable in each year under the Global Debenture.
- (5) The Definitive Debentures shall be payable as to principal upon surrender thereof in Canadian dollars at any branch of a bank authorized under Schedule 1 to the *Bank Act* (Canada) to do business in Canada as may be directed by the City from time to time, and semi-annual interest shall be paid by cheque sent through the post to the registered address of the registered holders.

#### **Exchange of Definitive Debentures**

- 15(1) Definitive Debentures will be issued only in denominations of \$1,000 or authorized multiples thereof.
- (2) The holder of any Definitive Debenture issued pursuant to this Bylaw, may exchange such Definitive Debentures for other fully registered Definitive Debentures at any time prior to maturity.
- (3) All applications for an exchange of Definitive Debentures in subsection (2) shall be accompanied by a written instrument in a form approved by the City, which form shall be executed by the lawful owner of the Definitive Debenture or authorized agent.
- (4) Definitive Debentures issued in substitution for any Definitive Debenture surrendered shall, with respect to the Definitive Debenture surrendered:
- (a) bear the same interest rates;
  - (b) bear the same maturity dates;
  - (c) bear all unmatured interest obligations; and
  - (d) be the same in every respect except in denomination.
- (5) No charges will be imposed by the City for exchanges or registrations.
- (6) Exchanges of Definitive Debentures will be permitted subject to the provision that the sum of the face value of the Definitive Debentures being surrendered is equal

to the sum of the face value of the replacement Definitive Debentures requested.

### **Termination of Book Entry Only Issue**

16(1) In the event that CDS is unable to continue to hold the Debentures as "Book Entry Only" issue, or in the event that the City desires to issue the Debentures in definitive form to replace the Global Debenture, the City shall:

- (a) prepare Debentures in definitive form;
  - (b) obtain the Global Debenture from CDS;
  - (c) amend the Securities Register to show that CDS & CO. holdings are nil;  
and
  - (d) issue or cause to be issued, Definitive Debentures in an aggregate principal amount equal to the then outstanding principal amount of the Global Debenture.
- (2) The Definitive Debentures issued in exchange for the Global Debenture shall be registered in the names of the Participants in accordance with their proportional interest in the Global Debenture as recorded in the book entries maintained by CDS & CO. as at the date of the issuance of the Definitive Debentures.
- (3) The City shall deliver the Definitive Debentures in subsection (2) to the Participants.
- (4) Payments made with respect to the Definitive Debentures shall be made to the registered holders in accordance with the terms of the Definitive Debentures.

### **Transfer of Definitive Debentures**

17(1) The Definitive Debentures shall be transferable only on presentation for such purpose and accompanied by a written instrument of transfer in a form approved by the Executive Director which instrument shall be executed by the registered holder of the Definitive Debenture or by the holder's authorized agent.

- (2) Upon receipt of a Definitive Debenture accompanied by a transfer purporting to be signed by the owner, and which signature is guaranteed by:
- (a) a bank or credit union;
  - (b) a member of the Investment Dealer's Association of Canada, or successor organization; or
  - (c) a notary public;

the Executive Director shall register the transfer in accordance with the transfer request.

- (3) Once a transfer has been requested and registered in accordance with this section, neither the City, nor the Executive Director, shall incur any liability to the true owner for any loss caused by the transfer if the transfer was not signed by the owner.
  - (4) The Executive Director shall not be required to make any transfers of registrations of any Definitive Debentures for a period of 30 days preceding an interest payment date.
- 18 The Definitive Debentures issued pursuant to section 14 may be exchanged in the same manner as set out in section 15 of this Bylaw.

#### **Replacement of Definitive Debentures**

- 19 A Definitive Debenture that is defaced, lost, or destroyed may be replaced by the City on the following grounds:
- (a) the Executive Director receives a sworn affidavit from the Definitive Debenture holder attesting to the defacement, loss or destruction of the Debenture and describing the circumstances under which the Debenture was defaced, lost or destroyed;
  - (b) all costs of the replacement of the Debenture, including the printing of the Debenture(s), be borne by the holder;
  - (c) if the lost Debenture to be replaced is found, it shall be returned by the holder to the Executive Director; and
  - (d) the defaced Debenture to be replaced is provided to the Executive Director.

#### **Nature of Obligation**

- 20 The Debentures shall rank concurrently and proportionately, except as to sinking funds, with all other general unsecured obligations of the City, without preference one above the other by reason of priority of date of issue, currency of payment, or otherwise.



**Coming into Force**

21 This Bylaw comes into force on the day of passage.

READ A FIRST TIME THIS 27th DAY OF May 2019.

READ A SECOND TIME THIS 27th DAY OF May 2019.

READ A THIRD TIME AND PASSED THIS 27th DAY OF May 2019.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

(SEAL)

CERTIFIED A TRUE COPY

\_\_\_\_\_  
City Clerk

**Schedule “A”**

**Schedule of Maturity Installments**

Year	Principal	Interest Rate	Interest		Annual Payment
			May 31	November 30	
2019	-	1.950%	-	\$127,309.00	\$127,309.00
2020	\$1,901,000.00	1.950%	\$127,309.00	\$108,774.25	\$2,137,083.25
2021	\$1,939,000.00	1.950%	\$108,774.25	\$89,869.00	\$2,137,643.25
2022	\$1,976,000.00	2.050%	\$89,869.00	\$69,615.00	\$2,135,484.00
2023	\$2,017,000.00	2.150%	\$69,615.00	\$47,932.25	\$2,134,547.25
2024	\$2,060,000.00	2.250%	\$47,932.25	\$24,757.25	\$2,132,689.50
2025	\$2,107,000.00	2.350%	\$24,757.25	-	\$2,131,757.25
<b>TOTAL</b>	<b>\$12,000,000.00</b>		<b>\$468,256.75</b>	<b>\$468,256.75</b>	<b>\$12,936,513.50</b>

**Schedule "B"**

Unless this certificate is presented by an authorized representative of CDS Clearing and Depository Services Inc. ("CDS") to the City of Regina (the "Issuer") or its agent for registration of transfer, exchange or payment, and any certificate issued in respect thereof is registered in the name of CDS & CO., or in such other name as is requested by an authorized representative of CDS (and any payment is made to CDS & CO. or to such other entity as is requested by an authorized representative of CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered holder hereof, CDS & CO., has a property interest in the securities represented by this certificate herein and it is a violation of its rights for another person to hold, transfer or deal with this certificate.

\$12,000,000

C A N A D A



Bylaw No. 2019-34

Province of Saskatchewan

**The City of Regina**

**FULLY REGISTERED GLOBAL INSTALMENT DEBENTURE**

THE CITY OF REGINA (the "City"), for value received, hereby promises to pay to

**CDS & CO.**

or its registered transferees or assignees, upon presentation and surrender of this Debenture the sum of

**TWELVE MILLION DOLLARS**

-----(\$12,000,000)-----

by annual payments on May 31 in each of the years 2020 to 2025, inclusive, in the amounts set forth in the Schedule on the reverse side hereof (the "Schedule") in lawful money of Canada, and to pay interest semiannually thereon from May 31 at the rates of interest and on the dates shown in the Schedule, both before and after default, on the balance of principal remaining from time to time outstanding.

The Debentures shall rank concurrently and proportionately, except as to sinking funds, with all other general unsecured obligations of the City, without preference one above the other by reason of priority of date of issue, currency of payment, or otherwise.

This Debenture is subject to the following conditions:

1. Payment of principal and of semi-annual interest in respect of this Debenture will be made in lawful money of Canada by cheque mailed to the registered address of the registered holder of this Debenture or, if authorized in writing, by electronic transfer.
2. The City will cause to be kept at its office in the City of Regina in the Province of Saskatchewan, Canada, a Securities Registry in which shall be entered the names and addresses of the holders of fully registered Debentures, particulars of the Debentures held by the holders, and transfers of the fully registered Debentures.
3. In limited circumstances, at the City's expense, this Debenture may be exchanged for Debentures in definitive fully registered form in denominations of \$1,000 and any multiples thereof. The definitive Debentures shall: aggregate the same principal amount as the principal outstanding balance as at the date of exchange; bear the same interest rates, interest payment dates and maturity dates; bear all unmatured interest obligations; and be substantially the same in every respect other than as to form. Interest in respect of the definitive Debentures will be payable by cheque sent by post to the registered addresses of the registered holders thereof. Principal in respect of the definitive Debentures will be payable upon presentation and surrender of the definitive Debentures at any branch of a bank authorized under Schedule 1 to the *Bank Act* (Canada) to do business in Canada as may be directed by the City from time to time.
4. The Debenture is transferable upon presentation for such purpose accompanied by a written instrument of transfer in a form approved by the Executive Director, executed by the registered holder hereof or by the duly authorized attorney of such registered holder.
5. The City shall not be required to make any transfers or registrations of any Debentures for a period of thirty (30) days preceding any interest payment date.

DATED at Regina, Saskatchewan, on May 31, 2019

IN TESTIMONY WHEREOF and under the authority of *The Cities Act*, and Bylaw No. 2019-34 of the City duly passed on May 27, 2019, this Debenture is sealed with the seal of the City and signed by the Mayor and by the Executive Director or their designate.

Date of Registration: May 31, 2019

\_\_\_\_\_  
Mayor or Deputy Mayor

\_\_\_\_\_  
Executive Director

As designated officer, I certify that I have registered this Debenture in the securities register that the City keeps at its office in the City of Regina, in the Province of Saskatchewan.

\_\_\_\_\_  
Executive Director

### Interest and Principal Payment Schedule

Year	CUSIP/ISIN numbers	Interest Rate	May 31 Interest	November 30 Interest	Principal	Total Amount Payment	Principal Outstanding (May 31)
2019		1.950%	-	\$127,309.00		\$127,309.00	\$12,000,000.00
2020	759005HD6 CA759005HD63	1.950%	\$127,309.00	\$108,774.25	\$1,901,000.00	\$2,137,083.25	\$10,099,000.00
2021	759005HE4 CA759005HE47	1.950%	\$108,774.25	\$89,869.00	\$1,939,000.00	\$2,137,643.25	\$8,160,000.00
2022	759005HF1 CA759005HF12	2.050%	\$89,869.00	\$69,615.00	\$1,976,000.00	\$2,135,484.00	\$6,184,000.00
2023	759005HG9 CA759005HG94	2.150%	\$69,615.00	\$47,932.25	\$2,017,000.00	\$2,134,547.25	\$4,167,000.00
2024	759005HH7 CA759005HH77	2.250%	\$47,932.25	\$24,757.25	\$2,060,000.00	\$2,132,689.50	\$2,107,000.00
2025	759005HJ3 CA759005HJ34	2.350%	\$24,757.25	-	\$2,107,000.00	\$2,131,757.25	\$0
<b>Total</b>			\$468,256.75	\$468,256.75	\$12,000,000.00	\$12,936,513.50	

No. 2019-34

CANADA

Province of Saskatchewan

THE CITY OF REGINA

**\$12,000,000**

Fully Registered Global  
Instalment Debenture

Bylaw No. 2019-34

Maturing on May 31  
2020-2025

Interest Payable  
May 31 and November 30

NO WRITING, IMPRESSIONS OR  
MARKS MUST APPEAR ON THIS  
DEBENTURE, OTHER THAN THAT  
PLACED HEREON WITH THE  
AUTHORITY OF THE OFFICERS OF  
THE CITY.

### LEGAL OPINION

We have examined Bylaw No. 2019-34 (the "Bylaw") of the Corporation of the City of Regina (the "City") dated May 27, 2019, authorizing the issue of debentures in the amount of \$12,000,000 and maturing in six installments of principal (the "Debentures") on May 31 in each of the years 2020-2025, which Debentures have been initially issued in global fully registered form.

In our opinion, the Bylaw has been properly passed and is within the legal powers of the City. The Debentures issued under the Bylaw in the within form are the direct, unsecured obligations of the City, which rank concurrently and proportionally except as to sinking funds, with all other general unsecured obligations of the City, without preference one above the other by reason of priority of date of issue, currency of payment, or otherwise. This opinion is subject to and incorporates all the assumptions, qualifications and limitations set out in our opinion letter delivered on the date of the Debentures.

Regina, May 31, 2019

MLT Aikins LLP

ABSTRACT

BYLAW NO. 2019-34

THE GENERAL CAPITAL DEBENTURE BYLAW, 2019

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PURPOSE:	The purpose of this Bylaw is to authorize the issue of debentures in the amount of \$12,000,000.
ABSTRACT:	This Bylaw authorizes the City to issue debentures in an amount of \$12,000,000 for the purpose of paying out the final debt payment under Bylaw 2009-34. The City has a long-term debt limit of \$450,000,000 as approved by the Saskatchewan Municipal Board. The issuance of these debentures does not exceed this debt limit.
STATUTORY AUTHORITY:	Part IX and Divisions 6 and 7 of <i>The Cities Act</i>
MINISTER'S APPROVAL:	N/A
PUBLIC HEARING:	N/A
PUBLIC NOTICE:	Public notice is required pursuant to section 101 of <i>The Cities Act</i> . Public Notice was provided in the Leader Post, the City's public notice board and the City's website on March 2, 2019 and May 18, 2019.
REFERENCE:	Report CR 19-18 from the March 25, 2019 City Council meeting and Report CM 19-5 from the May 27, 2019 City Council meeting
AMENDS/REPEALS:	new Bylaw
CLASSIFICATION:	Administrative and Execution
INITIATING DIVISION:	Financial Strategy and Sustainability
INITIATING DEPARTMENT:	Financial Services