

A photograph of a council chamber meeting. Several people are seated around a large conference table, facing each other. They are in a room with flags and a sign that says "PROGRESS".

# Highlights from the Council Chamber

## Special Council re Closing of Orillia Power Distribution Corporation Sale – Aug. 19, 2020

Below is a snapshot of what Council approved at its meeting held on Tuesday, Aug. 19, 2020. Please note: The wording below does not represent the exact wording of the motion and is meant as highlights.

- WHEREAS Orillia Power Corporation (the “Shareholder”) is the sole shareholder of Orillia Power Distribution Corporation (the “Corporation”);  
AND WHEREAS The Corporation of the City of Orillia (the “City”) is the sole shareholder of the Shareholder;  
AND WHEREAS the City approved the sale of all of the issued and outstanding shares of the Corporation from the Shareholder to Hydro One Inc. (the “Purchaser”), substantially on the terms and conditions of the Share Purchase Agreement between the City, the Purchaser and the Shareholder dated August 15, 2016 as amended by an Amending Agreement dated September 26, 2018 (the “Share Purchase Agreement”);  
AND WHEREAS the Corporation holds a note due December 31, 2030 where it promises to pay to the City the sum of \$9,860,622.95, including accrued interest (the “City Note”);  
AND WHEREAS the City, at its Council meeting held on November 14, 2016, approved the repayment of the City Note prior to closing of the Share Purchase Agreement;  
AND WHEREAS the Corporation wishes to draw on its current loans with TD Bank to repay the City Note prior to closing of the Share Purchase Agreement.

### NOW THEREFORE BE IT RESOLVED THAT:

1. the Corporation be authorized to draw on its current loans with TD Bank to repay the City Note prior to closing of the Share Purchase Agreement;
  2. the City hereby accepts payment from the Corporation in full satisfaction of all amounts outstanding and owing under the City Note to the City;
  3. the City’s Chief Administrative Officer and the City’s Treasurer are hereby authorized and directed to do all things and execute all instruments and documents necessary or desirable to carry out the said transactions and to affix the seal of the City to all documents required for that purpose.
- WHEREAS Orillia Power Corporation (the “Shareholder”) is the sole shareholder of Orillia Power Distribution Corporation (the “Corporation”);

AND WHEREAS The Corporation of the City of Orillia (the “City”) is the sole shareholder of the Shareholder;

AND WHEREAS the City approved the sale of all of the issued and outstanding shares of the Corporation from the Shareholder to Hydro One Inc., substantially on the terms and conditions of the Share Purchase Agreement between the City, the Purchaser and the Shareholder dated August 15, 2016 as amended by an Amending Agreement dated September 26, 2018 (the “Share Purchase Agreement”);

AND WHEREAS the Corporation is the registered and beneficial owner of certain properties listed in Exhibit “A” (the “Properties”);

AND WHEREAS the City agreed to acquire the Properties from the Corporation in the Share Purchase Agreement and entered into a real property transfer agreement with the Corporation on or prior to August 13, 2020 (the “Purchase Agreement”);

AND WHEREAS the City agreed to acquire all of the Properties in exchange for demand promissory notes in the aggregate amount of THREE MILLION FIVE HUNDRED AND EIGHTY-THREE THOUSAND DOLLARS (\$3,583,000.00), as further contemplated in Exhibit “B” (the “Promissory Notes”);

AND WHEREAS the Corporation and the Shareholder transferred the Promissory Notes to the City through dividends in kind passed by resolution by the Corporation and the Shareholder on August 14, 2020.

NOW THEREFORE BE IT RESOLVED THAT: 1. the City approves the payment of dividends in kind of the Promissory Notes as of the date hereof; 2. the City’s Chief Administrative Officer is hereby authorized and directed to do all things and execute all instruments and documents necessary or desirable to carry out the said transactions and to affix the seal of the City to all documents required for that purpose.

- Robert Ripley was appointed as a Director of the Orillia Power Corporation effective September 1, 2020 until December 31, 2021. Robert Ripley was appointed as a Director of the Orillia Power Generation Corporation effective upon completion of the corporation governance re-organization until December 31, 2021.
- Greg Gee was appointed as a Director of the Orillia Power Generation Corporation effective upon completion of the corporation governance re-organization until December 31, 2021.
- Tom Hussey was appointed as a Director of the Orillia Power Generation Corporation effective upon completion of the corporation governance re-organization until December 31, 2021.

The full agenda for the Aug. 19, 2020 meeting, which includes the full detailed reports, is available on the City’s website at [orillia.ca](http://orillia.ca).