

## INITIAL FORMATION AGREEMENT

This Agreement made as of May 19, 2020 between The Corporation of the Town of Bracebridge, The Corporation of the Town of Huntsville, The Corporation of the Town of Innisfil, The Corporation of the City of Kenora, The District Municipality of Muskoka, and The Corporation of the Town of Whitby (each a “**Founding Municipality**” and collectively, the “**Founding Municipalities**”)

### RECITALS:

- A. Each of the Founding Municipalities is a municipality in Ontario under the *Municipal Act*, 2001 (the **Act**), and under the Act, may pass a by-law (the **Prudent Investor Enabling By-law**) to have section 418.1 of the Act apply to it to enable the Founding Municipality to invest money that it does not require immediately in any security, in compliance with such section of the Act and regulations made under the Act;
- B. Part II of Ontario Regulation 438/97 (the **Regulation**) provides that in order to pass the Prudent Investor Enabling By-law, a municipality must have entered into an agreement to establish and invest through a Joint Investment Board with one or more other municipalities;
- C. The Regulation further provides that all of such municipalities must have, in the opinion of each of their treasurers, a combined total of at least \$100,000,000 in money and investments that the municipalities do not require immediately;
- D. Each of the Founding Municipalities wishes to pass a Prudent Investor Enabling By-law and to enter into this agreement to establish and invest through a Joint Investment Board in accordance with the Act and the Regulation and subject to the terms and conditions herein contained;
- E. The treasurer of each of the Founding Municipalities has determined that the Founding Municipalities have a combined total of at least \$100,000,000 in money and investments that the municipalities do not require immediately;

**NOW THEREFORE**, in consideration of the mutual covenants of the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties hereto agree as follows:

- 1. The Founding Municipalities hereby establish a Joint Investment Board, to be known as the ONE Joint Investment Board (**ONE JIB**), and each Founding Municipality agrees to invest through ONE JIB with each of the other Founding Municipalities in accordance with the terms hereof.
- 2. Each Founding Municipality shall pass its Prudent Investor Enabling By-law in accordance with the Regulation. Upon the Founding Municipality passing its Prudent Investor Enabling By-law, the Founding Municipality shall notify each of the other parties hereto.

3. Each Founding Municipality represents and warrants to each of the other Founding Municipalities that in the opinion of its treasurer, (a) as at the date hereof, the Founding Municipalities have a combined total of at least \$100,000,000 in money and investments that the municipalities do not require immediately; and (b) the treasurer of the Founding Municipality is not aware of any reason that the Founding Municipalities will not have a combined total of at least \$100,000,000 in money and investments that the municipalities do not require immediately on the day that the Founding Municipality passes its Prudent Investor Enabling By-law. In support of the representation and warranty contained in this section 3, the treasurer of each Founding Municipality shall furnish to each of the other Founding Municipalities a certificate affirming its own financial information substantially in the form of the certificate appended hereto as Schedule A or in such form as may be agreed by the parties hereto.
4. If, prior to the passing of its Prudent Investor Enabling By-law by the last Founding Municipality to do so, it comes to the attention of the treasurer of a Founding Municipality that the contents of the certificate delivered under section 3 hereof are no longer correct and accurate, the treasurer shall immediately notify each of the other Founding Municipalities.
5. The initial members of ONE JIB shall be the individuals whose names are set out in Schedule B hereto.
6. The Founding Municipalities agree that their relations with one another and with ONE JIB will be governed by the ONE Joint Investment Board Agreement as may from time to time be amended or supplemented (the **ONE JIB Agreement**), which is incorporated herein by reference. Each Founding Municipality shall perform its obligations and be bound by the terms of the ONE JIB Agreement as if such Founding Municipality was an "Applicant Municipality" under the ONE JIB Agreement and had executed and delivered the ONE JIB Agreement in such capacity. For greater certainty, the parties hereto confirm that the Founding Municipalities who are parties to this Initial Formation Agreement are the "Founding Municipalities" referred to in Section 13 *Withdrawal* and Section 15 *Term and Termination* of the ONE JIB Agreement, such that a Founding Municipality's withdrawal from ONE JIB may be made only in the manner set out in the ONE JIB Agreement and two or more Founding Municipalities may dissolve ONE JIB in accordance with and subject to the conditions set out in the ONE JIB Agreement.
7. The Founding Municipalities intend that ONE JIB and the Founding Municipalities shall from time to time enter into agreements with other municipalities in Ontario in the manner contemplated in paragraph 3 of section 15 of the Regulation. The Founding Municipalities agree that such other municipalities may appoint ONE JIB by signing a counterpart of the ONE JIB Agreement, as it may be amended from time to time.
8. No party may dispose of the whole or any part of its rights or obligations under this agreement without the express written consent of all of the other parties hereto or except as may otherwise be provided for in this agreement.
9. This agreement may not be amended, in whole or in part, except by written agreement of the parties hereto.

10. Each party shall at all times promptly execute and deliver and cause to be executed and delivered such documents and take and cause to be taken such action as may be necessary or appropriate to give effect to the provisions of this agreement.
11. Any notice or other communication required or permitted to be given under this agreement shall be in writing and shall be delivered or sent by registered mail, postage prepaid or email to the address as notified by each of the parties to each of the other parties hereto.
12. Each party irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of the Province of Ontario.
13. This agreement may be executed by the parties electronically in accordance with the *Electronic Commerce Act, 2000, S.O. 2000, c.17*.
14. This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one agreement.

[Balance of page intentionally blank]

**IN WITNESS WHEREOF** the parties have executed this agreement as of the date first written.

**The Corporation of the Town of  
Bracebridge**

BY: \_\_\_\_\_  
Graydon Smith, Mayor

BY: \_\_\_\_\_  
Lori McDonald  
Director of Corporate Services/Clerk

**The Corporation of the Town of  
Huntsville**

BY: \_\_\_\_\_  
Tanya Calleja, Clerk

BY: \_\_\_\_\_  
Karin Terziano, Mayor

**The Corporation of the Town of  
Innisfil**

BY: \_\_\_\_\_  
Lee Parkin, Clerk

BY: \_\_\_\_\_  
Lynn Dollin, Mayor

**The Corporation of the City of Kenora**

BY: \_\_\_\_\_  
Daniel Reynard, Mayor

BY: \_\_\_\_\_  
Heather Pihulak  
Manager of Administration/Clerk

**The District Municipality of Muskoka**

BY: \_\_\_\_\_  
Amy Back, Clerk

BY: \_\_\_\_\_  
John Klinck, District Chair

**The Corporation of the Town of  
Whitby**

BY: \_\_\_\_\_  
Ken Nix  
Commissioner, Corporate Services/Treasurer

BY: \_\_\_\_\_  
Chris Harris  
Director, Legislative Services / Town Clerk

**CERTIFICATE  
of the  
TREASURER OF  
[Name of Founding Municipality]**

TO: The Corporation of the Town of Bracebridge, The Corporation of the Town of Huntsville, The Corporation of the Town of Innisfil, The Corporation of the City of Kenora, The District Municipality of Muskoka and The Corporation of the Town of Whitby [delete the name of the relevant Founding Municipality from this list]

AND TO: ONE Joint Investment Board

RE: Formation of ONE Joint Investment Board

DATE: May 19, 2020

---

The undersigned \_\_\_\_\_ is the duly appointed treasurer of \_\_\_\_\_ (the **Treasurer’s Municipality**), a Founding Municipality as a party to the Initial Formation Agreement effective as of May 19, 2020, between The Corporation of the Town of Bracebridge, The Corporation of the Town of Huntsville, The Corporation of the Town of Innisfil, The Corporation of the City of Kenora, The District Municipality of Muskoka and The Corporation of the Town of Whitby (the **Initial Formation Agreement**). Defined terms used in this Certificate have the meanings assigned to them in the Initial Formation Agreement.

In my capacity as treasurer (and not in my personal capacity), the undersigned hereby certifies to each of you that, in my opinion, as at the date hereof,

- (a) the Treasurer’s Municipality has approximately \$ \_\_\_\_\_ in money and investments that the Treasurer’s Municipality does not require immediately;
- (b) combined with the \$ \_\_\_\_\_ in money and investments that the other Founding Municipalities do not require immediately, the Founding Municipalities together have a combined total of at least \$100,000,000 in money and investments that the Founding Municipalities do not require immediately,
- (c) I am not aware of any reason that the Founding Municipalities will not have a combined total of at least \$100,000,000 in money and investments that the

Founding Municipalities do not require immediately on the day that the Treasurer's Municipality passes its Prudent Investor Enabling By-law.

As to the opinion expressed in paragraph (b) above, I have relied upon certificates of treasurers of the other Founding Municipalities of even date herewith appended hereto.

If, prior to the passing of its Prudent Investor Enabling By-law by the last Founding Municipality to do so, it comes to my attention that the contents of this certificate are no longer correct and accurate, I undertake to immediately notify each of you.

---

Treasurer,  
[name of the certifying treasurer's  
municipality]

**SCHEDULE B**

**Initial members of ONE JIB**

Aubrey Basdeo  
Jennifer Dowty  
Heidi Franken  
James Giles  
Bill Hughes  
Geri James  
Stephen Rettie