

4. REPLACEMENT OF LOST DEBENTURE

COMMITTEE RECOMMENDATION

That Council approve the enactment of a by-law authorizing the issue of a replacement debenture in accordance with existing legislation.

DOCUMENTATION

1. Finance Commissioner's report dated 19 Oct 99 is immediately attached.

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf.
 Your File/V/Réf.

DATE 19 October 1999

TO/DEST. Co-ordinator
 Corporate Services and Economic Development Committee

FROM/EXP. Finance Commissioner

SUBJECT/OBJET **REPLACEMENT OF LOST DEBENTURE**

DEPARTMENTAL RECOMENDATION

That the Corporate Services and Economic Development Committee recommend Council approve the enactment of a by-law authorizing the issue of a replacement debenture in accordance with existing legislation.

BACKGROUND

On 25 August 1999, the Region was informed by RBC Dominion Securities Inc. that a debenture certificate sent to the Region on 22 April, 1999 was still outstanding and the requested exchange had not occurred. Further investigation revealed that according to RBC Dominion Securities Inc., the debenture certificate was sent by courier to the Region however, despite an extensive search, the debenture cannot be found.

RBC Dominion Securities Inc. had sent the debenture certificate to the Region to be exchanged for two certificates in the same aggregate amount also to be registered in the name of RBC Dominion Securities Inc. Investment firms will request such exchanges to facilitate sales of smaller denominations to retail clients.

Details of the lost debenture are as follows:

Face Amount	\$100,000
Interest Rate	9 7/8%
Maturity	15 April 2012
Certificate Number	FRB 00673
Registered Holder	RBC Dominion Securities Inc.
Authorizing By-Law	81 of 1992
Registration Date	5 May 1992

RBC Dominion Securities Inc. is a member of the underwriting syndicate which distributes new debenture issues on behalf of the Region and from time to time is a registered holder of various Regional debentures.

DISCUSSION

As a result of the loss, it is necessary to issue a replacement debenture. In accordance with Section 127 of the *Regional Municipalities Act*, R.S.O. 1990, Chapter R.8, Regional Council may by by-law provide for the replacing of a defaced, lost or destroyed debenture on payment of such fee and on such terms as to evidence and indemnify as the by-law may provide. As it appears that the debenture certificate was delivered to the Region and was subsequently lost, RBC Dominion Securities Inc. will be requested to provide a letter undertaking to deliver the debenture if it comes into its possession instead of a full indemnification.

PUBLIC CONSULTATION

Public consultation was not required. The authority to enact a by-law authorizing the issue of a replacement debenture is an administrative matter and in accordance with existing legislation.

FINANCIAL COMMENT

The issuance of a replacement debenture does not involve any additional financial commitment by the Region. The lost debenture has been cancelled on the Region's debenture control system and the paying agent for this debenture issue, the Royal Bank has been alerted to the lost debenture.

CONCLUSION

It is recommended that the attached by-law be enacted by Regional Council at its next meeting.

Approved by
J. C. LeBelle
Finance Commissioner

Attach. (1)

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

BY-LAW NO. OF 1999

Being a By-Law to authorize the replacement of a Debenture.

WHEREAS Debenture No. FRB 00673 in the face value amount of One Hundred Thousand Dollars (\$100,000.00) (the "said Debenture"), maturing April 15, 2012, issued by the Regional Municipality of Ottawa-Carleton under the authority of By-Law No. 81 of 1992, has been lost;

AND WHEREAS the said Debenture was fully registered in the name of RBC Dominion Securities Inc.

AND WHEREAS the registered owner requested that the Regional Municipality of Ottawa-Carleton replace the said Debenture;

AND WHEREAS under the authority of Section 127 of the *Regional Municipalities Act*, R.S.O. 1990, c. R.8, as amended, the Regional Council may, by by-law, provide for the replacement of the said Debenture;

AND WHEREAS there has been filed with the Regional Treasurer satisfactory evidence of the fact of the loss of the said Debenture;

NOW THEREFORE the Council of the Regional Municipality of Ottawa-Carleton
HEREBY ENACTS AS FOLLOWS:

1. The Regional Municipality of Ottawa-Carleton shall replace the said Debenture with a replacement Debenture in fully registerable form bearing the same terms and conditions, subject to the filing with the Regional Treasurer of a Declaration that the said Debenture will be promptly surrendered to the Regional Municipality of Ottawa-Carleton should it be received by the registered owner (being the registered holder).
2. This By-Law shall come into force and take effect immediately upon the final passing thereof.

ENACTED AND PASSED this day of October, 1999.

Clerk

Chair