

MINUTES OF A SPECIAL MEETING OF COUNCIL FOR THE PURPOSES OF THE ANNUAL MEETING OF THE SHAREHOLDER OF WHITBY HYDRO ENERGY CORPORATION HELD ON MONDAY, APRIL 11, 2011, AT THE HOUR OF 5:30 P.M., IN COMMITTEE ROOM ONE OF THE WHITBY MUNICIPAL BUILDING

PRESENT: On behalf of the Shareholder, the Corporation of the Town of Whitby and Its Council

Mayor Perkins

Councillor Coe
Councillor Drumm
Councillor Emm
Councillor Hanson
Councillor Mitchell
Councillor Montague

ABSENT: Councillor Roy (with regrets)

Mayor Perkins in the Chair

ALSO PRESENT: R. Batten, Chair, Whitby Hydro Energy Corporation
J. Sanderson, Acting President and Chief Executive Officer, Whitby Hydro Energy Corporation
R. Abi-Rashed, Treasurer, Whitby Hydro Energy Corporation
J. Longfield, Director, Whitby Hydro Energy Corporation
S. Pitchforth, Director, Whitby Hydro Energy Corporation
R. Petrie, Chief Administrative Officer, Town of Whitby
D. Wilcox, Town Clerk, Town of Whitby

The meeting began at 5:39 p.m.

1. DISCLOSURES OF INTEREST

There were no disclosures noted.

2. ITEM FOR CONSIDERATION

2.1 Whitby Hydro Energy Corporation Shareholders Meeting

- a) Memorandum from John Sanderson, Acting President & Chief Executive Officer and Ramona Abi-Rashed, Whitby Hydro Energy Corporation outlining the need for the request for approval to borrow up to \$6 million dollars for purposes of implementing the Smart Meter Program **[Receive for Information]**

MINUTES OF A SPECIAL MEETING OF COUNCIL FOR THE PURPOSES OF THE ANNUAL MEETING OF THE SHAREHOLDER OF WHITBY HYDRO ENERGY CORPORATION HELD ON MONDAY, APRIL 11, 2011, AT THE HOUR OF 5:30 P.M., IN COMMITTEE ROOM ONE OF THE WHITBY MUNICIPAL BUILDING

- b) Resolution of the Directors of the Whitby Hydro Electric Corporation
[Receive for Information]
- c) Resolution of the Shareholder of the Whitby Hydro Electric Corporation
[Receive for Information]

RESOLUTION NO. 125-11

MOVED by Councillor Coe
Seconded by Councillor Emm

That Items a) through c) be received for information.

CARRIED

- d) Resolution of the Shareholder of the Whitby Hydro Energy Corporation

RESOLUTION NO. 126-11

MOVED by Councillor Coe
Seconded by Councillor Emm

WHEREAS the Shareholder Direction, as amended dated June 14, 2010, between The Corporation of the Town of Whitby (the "Shareholder") Whitby Hydro Energy Corporation (the "Corporation") provides, pursuant to paragraph 5.2 (o) and (q) thereof, that neither the Corporation nor any Subsidiary thereof will, without the approval of the Shareholder, borrow money or provide financial assistance to any Subsidiary in an amount exceeding Five Million Dollars (\$5,000,000) or grant a security interest in or otherwise encumber its assets, or, enter into an agreement, commitment, arrangement, undertaking or involvement which would allow recourse to the assets of the Corporation or any of its Subsidiaries, or which would create any encumbrance, lien, security interest or recourse of any Third Party in such asset;

AND WHEREAS Whitby Hydro Electric Corporation is a Subsidiary of the Corporation;

AND WHEREAS Whitby Hydro Electric Corporation (the "Subsidiary") wishes to borrow up to the sum of Six Million Dollars (\$6,000,000) from Ontario Infrastructure Projects Corporation ("OIPC") and grant a security interest in its assets to OIPC for the purposes of funding and implementing the Provincially mandated Smart Meter Program;

MINUTES OF A SPECIAL MEETING OF COUNCIL FOR THE PURPOSES OF THE ANNUAL MEETING OF THE SHAREHOLDER OF WHITBY HYDRO ENERGY CORPORATION HELD ON MONDAY, APRIL 11, 2011, AT THE HOUR OF 5:30 P.M., IN COMMITTEE ROOM ONE OF THE WHITBY MUNICIPAL BUILDING

AND WHEREAS the approval of the Shareholder is therefore required pursuant to the Shareholder Direction, as amended dated June 14, 2010, in order for the Subsidiary to be able to borrow such monies from OIPC and to grant a security interest to OIPC in its assets;

AND WHEREAS the Shareholder wishes to approve both the borrowing of up to Six Million Dollars (\$6,000,000) by the Subsidiary from OIPC and the granting by the Subsidiary of a security interest in its assets to OIPC;

AND WHEREAS the Subsidiary has taken all necessary and proper corporate actions to authorize the borrowing of up to Six Million Dollars (\$6,000,000) by it from OIPC and the granting of a security interest in its assets to OIPC;

NOW THEREFORE BE IT HEREBY RESOLVED that the Shareholder approves the borrowing of monies in the amount of up to Six Million Dollars (\$6,000,000) by the Subsidiary from OIPC and further, approves the granting of a security interest to OIPC in the assets of the Subsidiary for the purposes of funding and implementation of the Provincially mandated Smart Meter Program.

CARRIED

3. CONFIRMING BY-LAW -6471-11

RESOLUTION NO. 127-11

MOVED by Councillor Drumm, seconded by Councillor Montague, that leave be granted to introduce a by-law and to dispense with the reading of the by-law by the Clerk to confirm the proceedings of the Council of the Town of Whitby at its special meeting held on April 11th, 2011, and that the same be considered read a first, second and third time and finally passed and that the Mayor and the Clerk sign the same and the Seal of the Corporation be thereto affixed.

CARRIED

4. ADJOURNMENT

RESOLUTION NO. 128-11

MOVED by Councillor Coe
Seconded by Councillor Emm

That this Special Meeting of Council be adjourned.

CARRIED

MINUTES OF A SPECIAL MEETING OF COUNCIL FOR THE PURPOSES OF THE ANNUAL MEETING OF THE SHAREHOLDER OF WHITBY HYDRO ENERGY CORPORATION HELD ON MONDAY, APRIL 11, 2011, AT THE HOUR OF 5:30 P.M., IN COMMITTEE ROOM ONE OF THE WHITBY MUNICIPAL BUILDING

The meeting adjourned at 6:28 pm.

Debi A. Wilcox, Town Clerk

Patricia Perkins, Mayor