

From: Sandra Cooper <scooper@collingwood.ca>
Sent: January-16-12 12:27 PM
To: Leo Longo; Rick Lloyd
Subject: Re: Collus

Leo:
 Collus has included Corrine and Ron from A and B to review documents.
 Also David Mcfadden, an electricity expert reviewing other electricity agreements. He is an independent attending Collus board meetings.
 John ehrholdt (sp) and John Rocx from KPMG have participated as the observer in all aspects including the financial part. They feel the agreement is very fair. The board's opinion from whispers provincially, small LDCs will be forced to amalgamate in a few short years. Better to be the one out front with the controls than someone such as the province make that decision.
 Leo I hope this addresses your comments.

Mayor Cooper

Sandra

~~~~~  
 Sent from Blackberry Mobile Device

Sandra Cooper  
 Mayor

Town of Collingwood  
 Office of the Mayor  
 97 Hurontario Street  
 Box 157  
 Collingwood, ON  
 L9Y 3Z5

Email: [scooper@collingwood.ca](mailto:scooper@collingwood.ca)  
 Phone: 705.445.8451 ext 3226  
 Fax: 705.445.2448

----- Original Message -----

From: Leo Longo [<mailto:llongo@airdberlis.com>]  
 Sent: Monday, January 16, 2012 12:14 PM  
 To: Sandra Cooper; Rick Lloyd  
 Subject: Collus

I have reviewed the latest draft agreements. They contain proposed reps & warranties to be made by the Town and Services Board. I will review these to ensure the Town can make these statements. What I cannot comment on are the financial aspects of the deal. Has the Town received advice that it is receiving fair value?  
 Happy to discuss with you.  
 LFL

Leo F. Longo  
 Aird & Berlis LLP

Brookfield Place, Suite 1800  
Box 754, 181 Bay Street  
Toronto, Ontario M5J 2T9  
T:416-865-7778  
F:416-863-1515  
E:llongo@airdberlis.com

Certified Specialist - Municipal Law:  
Local Government & Land Use Planning and Development

Sent from my BlackBerry Wireless Device

**From:** Leo Longo  
**Sent:** January-16-12 12:39 PM  
**To:** 'scooper@collingwood.ca'; 'rlloyd@collingwood.ca'  
**Subject:** Re: Collus

Partially.

Ron and Corrine are advising Collus, not the Town. I just want to note that the Town's interests may not be identical to Collus.

LFL

Leo F. Longo  
Aird & Berlis LLP  
Brookfield Place, Suite 1800  
Box 754, 181 Bay Street  
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T:416-865-7778  
F:416-863-1515  
E:llongo@airdberlis.com

Certified Specialist - Municipal Law:  
Local Government & Land Use Planning and Development

Sent from my BlackBerry Wireless Device

----- Original Message -----

From: Sandra Cooper [mailto:[scooper@collingwood.ca](mailto:scooper@collingwood.ca)]  
Sent: Monday, January 16, 2012 12:26 PM  
To: Leo Longo; Rick Lloyd <[rlloyd@collingwood.ca](mailto:rlloyd@collingwood.ca)>  
Subject: Re: Collus

Leo:  
Collus has included Corrine and Ron from A and B to review documents.  
Also David Mcfadden, an electricity expert reviewing other electricity agreements. He is an independent attending Collus board meetings.  
John ehrholdt (sp) and John Rocx from KPMG have participated as the observer in all aspects including the financial part. They feel the agreement is very fair. The board's opinion from whispers provincially, small LDCs will be forced to amalgamate in a few short years. Better to be the one out front with the controls than someone such as the province make that decision.  
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Mayor Cooper

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Sent from Blackberry Mobile Device

Sandra Cooper
Mayor

Town of Collingwood

Office of the Mayor
97 Hurontario Street
Box 157
Collingwood, ON
L9Y 3Z5

Email: scooper@collingwood.ca
Phone: 705.445.8451 ext 3226
Fax: 705.445.2448
[REDACTED]

----- Original Message -----

From: Leo Longo [<mailto:llongo@airdberlis.com>]
Sent: Monday, January 16, 2012 12:14 PM
To: Sandra Cooper; Rick Lloyd
Subject: Collus

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E:llongo@airdberlis.com

Certified Specialist - Municipal Law:
Local Government & Land Use Planning and Development

Sent from my BlackBerry Wireless Device

From: Rick Lloyd <rlloyd@collingwood.ca>
Sent: January-16-12 4:47 PM
To: Leo Longo; Sandra Cooper
Subject: RE: Collus

Hi Leo:

As always, I appreciate your counsel and suggestions as they related to our municipality. I respectfully want to respond to your one point about Collus and the municipality not necessarily having the same best interests. The fact is that the best interest of the Town has been the driving force and objective for this entire initiative. Both the Mayor and I have been part of the review team along with the Board that serves at the pleasure of Council. It is also important to recognize that on a consistent basis Council has been fully briefed and provided unanimous support to continue with this direction. I trust this addresses your point in a satisfactory manner.

Regards,
 Rick

From: Leo Longo [llongo@airdberlis.com]
Sent: Monday, January 16, 2012 12:38 PM
To: Sandra Cooper; Rick Lloyd
Subject: Re: Collus

Partially.

Ron and Corrine are advising Collus, not the Town. I just want to note that the Town's interests may not be identical to Collus.

LFL

Leo F. Longo
 Aird & Berlis LLP
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----- Original Message -----

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Sent: Monday, January 16, 2012 12:26 PM
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Sandra

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Mayor

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Office of the Mayor  
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Phone: 705.445.8451 ext 3226  
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[REDACTED]

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What I cannot comment on are the financial aspects of the deal. Has the Town received advice that it is receiving fair value?

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Local Government & Land Use Planning and Development

Sent from my BlackBerry Wireless Device

①

**Sara Almas**

**From:** Leo Longo [llongo@airdberlis.com]  
**Sent:** Tuesday, January 17, 2012 5:14 PM  
**To:** Ed Houghton  
**Cc:** Sara Almas; Kim Wingrove; John Mascarin  
**Subject:** Council By-Law Re CUS/Collus Share Purchase  
**Attachments:** 11730545\_2.docx

Ed;

Here's an initial draft of a proposed authorizing Council by-law for your review and input.

In particular, can you take a stab at drafting the "Whereas" clauses due to your intimate familiarity with this proposal.

In addition, I assume that a report will need to be prepared for Council that addresses the transaction and attaches the draft agreements. Will you be preparing that report?

Who handles the legal work for CUS? Will that person/firm be preparing the necessary corporate minute(s) authorizing the draft agreements from CUS's perspective?

Please advise how John and I can assist in this matter.

Regards,  
LFL

**Leo F. Longo**

Certified Specialist  
(Municipal Law: Local Government & Land Use Planning and Development)

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F 416.863.1515  
E [llongo@airdberlis.com](mailto:llongo@airdberlis.com)

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Suite 1800 • Box 754  
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Barristers and Solicitors

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*Enails -  
Jan 16/27  
Mtg next Thurs/Fri.*

**BY-LAW No. 2012-XXX  
OF THE  
CORPORATION OF THE TOWN OF COLLINGWOOD**




---

BEING A BY-LAW TO AUTHORIZE THE ENTERING INTO AND EXECUTION  
OF A SHARE PURCHASE AGREEMENT AND A SHAREHOLDERS  
AGREEMENT WITH POWERSTREAM INC. RESPECTING THE  
COLLINGWOOD UTILITY SERVICES CORP.

---

**WHEREAS**

**AND WHEREAS**

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF COLLINGWOOD ENACTS AS FOLLOWS:**

1. **THAT** Report XXX be received.
2. **THAT** The Mayor and Clerk be authorized to execute the Share Purchase Agreement and Shareholders Agreement with Powerstream Inc. respecting the purchase of shares of the Collingwood Utility Services Corp. once those agreements are in a form and content to the satisfaction of the Town's Solicitor.
3. **THAT** Appropriate Town Staff and the Town Solicitor report back to Council as required as the conditions precedent to closing this transaction are addressed and, in any event, prior to the final closing of this share purchase transaction.
4. **THAT** this By-law shall come into full force and effect on the date of final passage hereof at which time all By-laws and/or resolutions that are inconsistent with the provisions of this By-law and the same are hereby repealed or rescinded insofar as it is necessary to give effect to the provisions of this By-law.

**ENACTED AND PASSED** this    day of    , 2012.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CLERK



②

**From:** Ed Houghton <ehoughton@collus.com>  
**Sent:** January-18-12 2:32 PM  
**To:** Leo Longo  
**Subject:** Fwd: Emailing: Docfile.doc  
**Attachments:** Docfile.doc; ATT00001..htm

Sent from my iPad

Begin forwarded message:

**From:** Shirley Houghton <[shirley.houghton@gmail.com](mailto:shirley.houghton@gmail.com)>  
**Date:** 18 January, 2012 1:19:59 PM EST  
**To:** Ed Houghton <[ehoughton@collus.com](mailto:ehoughton@collus.com)>  
**Subject:** **Emailing: Docfile.doc**

The message is ready to be sent with the following file or link attachments:

Docfile.doc

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

**WHEREAS** Collingwood Utility Services Inc. ("CUS") is a wholly-owned subsidiary of the Corporation of the Town of Collingwood (the "Town");

**AND WHEREAS** COLLUS Power Corp. ("COLLUS") is a wholly-owned subsidiary of CUS;

**AND WHEREAS** the Town, as sole Shareholders of CUS, wish to approve the sale of 50% of CUS shares to PowerStream Inc. ("PowerStream"), substantially in the form of the draft Share Purchase Agreement and a Unanimous Shareholders Agreement, approved by CUS;

**AND WHEREAS** the Town, as sole Shareholders of CUS, has been informed of the principal terms and provisions of the Share Purchase Agreement and Unanimous Shareholders Agreement, and it is in the interest of the Town and CUS to enter into the Share Purchase Agreement and the Unanimous Shareholders Agreement, and to approve the transaction contemplated thereby;

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF COLLINGWOOD ENACTS AS FOLLOWS:**

1. **THAT** report XXX be received.
2. **THAT** the Mayor and Clerk be authorized to execute the Share Purchase Agreement and Unanimous Shareholders Agreement with Powerstream respecting the purchase of shares of CUS, once those agreements are in a form and content to the satisfaction of the Mayor.
3. **THAT** the Mayor and Clerk be authorized to execute or deliver all other documents, notices, certificates to be signed and/or delivered under or in connection with the Share Purchase Agreement or Unanimous Shareholders Agreement; and
4. **THAT** this By-law shall come into full force and effect on the date of final passage hereof at which time all By-laws and/or resolutions that are inconsistent with the provisions of this By-law and the same are hereby repealed or rescinded insofar as it is necessary to give effect to the provisions of this By-law.

**ENACTED AND PASSED** this    day of    , 2012.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CLERK

③

**From:** Leo Longo  
**Sent:** January-18-12 3:18 PM  
**To:** 'Sandra Cooper'; 'Rick Lloyd'; 'Kim Wingrove'; 'Sara Almas'; 'Ed Houghton'  
**Cc:** John Mascarin; Ron Clark; Corrine Kennedy  
**Subject:** Draft By-Law  
**Attachments:** 11730545\_3.docx

To All;

Further to our conference call this afternoon, please see the revised draft that incorporates much of what was discussed.

As directed, this by-law will not cite any statutory provisions within its "Whereas" clauses.

I have left in section 4 of the by-law. If it is felt that such provision is unnecessary or undesirable, you can remove it.

Regards,  
 LFL

---

**Leo F. Longo**  
 Certified Specialist  
 (Municipal Law: Local Government & Land Use Planning and Development)

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 F 416.863.1515  
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**BY-LAW No. 2012-XXX  
OF THE  
CORPORATION OF THE TOWN OF COLLINGWOOD**




---

BEING A BY-LAW TO AUTHORIZE THE ENTERING INTO AND EXECUTION  
OF A SHARE PURCHASE AGREEMENT AND A SHAREHOLDERS  
AGREEMENT WITH POWERSTREAM INC. RESPECTING THE  
COLLINGWOOD UTILITY SERVICES CORP. AND THE RELATED  
CORPORATE REQUIREMENTS OF THE COLLINGWOOD UTILITY SERVICES  
CORP.

---

**WHEREAS** Collingwood Utility Services Corp. ("CUS") is wholly-owned by the Corporation of the Town of Collingwood (the "Town");

**AND WHEREAS** COLLUS Power Corp. ("COLLUS") is a wholly-owned subsidiary of CUS;

**AND WHEREAS** the Town, as the sole shareholder of CUS, wishes to approve the sale of 50% of CUS shares to PowerStream Inc. ("PowerStream"), substantially in the form of the draft Share Purchase Agreement and Unanimous Shareholders Agreement, approved by CUS;

**AND WHEREAS** the Town, as the sole shareholder of CUS, has been informed of the principal terms and provisions of the Share Purchase Agreement and Unanimous Shareholders Agreement, and it is in the interest of the Town and CUS to enter into the Share Purchase Agreement and the Unanimous Shareholders Agreement, and to approve the transaction contemplated thereby;

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF COLLINGWOOD ENACTS AS FOLLOWS:**

1. **THAT** Report No. CAO-2012-007 be received.
2. **THAT** the Mayor and Clerk be authorized to execute the Share Purchase Agreement and Unanimous Shareholders Agreement with Powerstream respecting the purchase of shares of CUS, once those agreements are in a form and content to the satisfaction of the Mayor.
3. **THAT** the Mayor and Clerk be authorized to take all necessary steps and execute and/or deliver all other documents, notices, certificates to be signed and/or delivered under or in connection with aforesaid CUS share purchase in accordance with the Share Purchase Agreement and Unanimous Shareholders Agreement.
4. **THAT** Appropriate Town Staff and the Town Solicitor report back to Council as required as the conditions precedent to closing this transaction are addressed and, in any event, prior to the final closing of this share purchase transaction.
5. **THAT** this By-law shall come into full force and effect on the date of final passage hereof at which time all By-laws and/or resolutions that are inconsistent with the provisions of this By-law and the same are hereby repealed or rescinded insofar as it is necessary to give effect to the provisions of this By-law.

**ENACTED AND PASSED** this    day of    , 2012.

---

MAYOR

---

CLERK

(4)

**Sara Almas**

---

**From:** Leo Longo [llongo@airdberlis.com]  
**Sent:** Thursday, January 19, 2012 7:18 AM  
**To:** Kim Wingrove; Sara Almas  
**Cc:** Ed Houghton  
**Subject:** Re: strategic partnership by-law

To All;

The mayor directed yesterday that the by-law not contain a "statutory reference" whereas clause. Accordingly, we have not drafted one.

The "and the same" is in the Town's usual final clause and is appropriate.

LFL

Leo F. Longo  
Aird & Berlis LLP  
Brookfield Place, Suite 1800  
Box 754, 181 Bay Street  
Toronto, Ontario M5J 2T9  
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F:416-863-1515  
E:llongo@airdberlis.com

Certified Specialist - Municipal Law:  
Local Government & Land Use Planning and Development

Sent from my BlackBerry Wireless Device

---

**From:** Kim Wingrove [mailto:kwingrove@collingwood.ca]  
**Sent:** Thursday, January 19, 2012 07:07 AM  
**To:** Sara Almas <salmas@collingwood.ca>  
**Cc:** Ed Houghton <ehoughton@collus.com>; Leo Longo  
**Subject:** strategic partnership by-law

Sara, attached is the draft by-law for inclusion in the Jan 23 council agenda. I have highlighted 2 areas. One, a holding spot for the Whereas clause that provides the statutory authority for the transaction. I believe this is coming from Aird and Berlis. I also highlighted "and the same" text in the last paragraph. Not sure what that means and wanted confirmation that it is correct.

Kim

**BY-LAW No. 2012-XXX  
OF THE  
CORPORATION OF THE TOWN OF COLLINGWOOD**



---

BEING A BY-LAW TO AUTHORIZE THE ENTERING INTO AND EXECUTION OF A SHARE PURCHASE AGREEMENT AND A SHAREHOLDERS AGREEMENT WITH POWERSTREAM INC. RESPECTING THE COLLINGWOOD UTILITY SERVICES CORP. AND THE RELATED CORPORATE REQUIREMENTS OF THE COLLINGWOOD UTILITY SERVICES CORP.

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**WHEREAS** Collingwood Utility Services Corp. is wholly-owned by the Corporation of the Town of Collingwood (the "Town");

**AND WHEREAS** COLLUS Power Corp. ("COLLUS") is a wholly-owned subsidiary of Collingwood Utility Services Corp.;

**AND WHEREAS** the Town, as the sole shareholder of Collingwood Utility Services Corp., wishes to approve the sale of 50% of Collingwood Utility Services Corp. shares to PowerStream Inc., substantially in the form of the draft Share Purchase Agreement and Unanimous Shareholders Agreement, approved by Collingwood Utility Services Corp.;

**AND WHEREAS** (statutory authority text...)

**AND WHEREAS** the Town, as the sole shareholder of Collingwood Utility Services Corp., has been informed of the principal terms and provisions of the Share Purchase Agreement and Unanimous Shareholders Agreement, and it is in the interest of the Town and Collingwood Utility Services Corp. to enter into the Share Purchase Agreement and the Unanimous Shareholders Agreement, and to approve the transaction contemplated thereby;

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF COLLINGWOOD ENACTS AS FOLLOWS:**

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4. **THAT** this By-law shall come into full force and effect on the date of final passage hereof at which time all By-laws and/or resolutions that are inconsistent with the provisions of this By-law and the same are hereby repealed or rescinded insofar as it is necessary to give effect to the provisions of this By-law.

**ENACTED AND PASSED** this    day of    , 2012.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CLERK

5

**From:** Leo Longo  
**Sent:** January-19-12 1:08 PM  
**To:** Corrine Kennedy  
**Cc:** John Mascarin; Ron Clark; 'salmas@collingwood.ca'  
**Subject:** Re: Draft By-Law

Corrine;  
 I think they need this to go out with the Agenda this afternoon. I have copied the Clerk so that she is aware of this.  
 LFL

Leo F. Longo  
 Aird & Berlis LLP  
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 Local Government & Land Use Planning and Development

Sent from my BlackBerry Wireless Device

---

**From:** Corrine Kennedy  
**Sent:** Thursday, January 19, 2012 12:46 PM  
**To:** Leo Longo  
**Cc:** John Mascarin; Ron Clark  
**Subject:** RE: Draft By-Law

Hi Leo,

After some further discussion with Ed and Ron, and in an effort to make sure we're covered all bases with respect to authorizing at the front end of this transaction and don't have to go back, I am working on some revisions to the bylaw for your review. I hope to turn it to you as early as possible this afternoon. Hope that works for you, but please let me know if you have any concerns about that approach.

Thanks very much,  
 Corrine

---

**From:** Leo Longo  
**Sent:** January 18, 2012 3:18 PM  
**To:** 'Sandra Cooper'; Rick Lloyd; Kim Wingrove; Sara Almas; 'Ed Houghton'  
**Cc:** John Mascarin; Ron Clark; Corrine Kennedy  
**Subject:** Draft By-Law

To All;

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6

**From:** Corrine Kennedy  
**Sent:** January-19-12 4:05 PM  
**To:** 'salmas@collingwood.ca'  
**Cc:** John Mascarin; Ron Clark; Leo Longo  
**Subject:** RE: Draft By-Law  
**Attachments:** Bylaw for Collingwood.DOCX

Good afternoon Ms. Almas,

Further to Leo's email from earlier this afternoon, please find attached a revised version of the bylaw with respect to the PowerStream transaction. Please let me know if you have any questions or concerns about the draft.

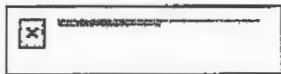
Best regards,  
 Corrine

---

**Corrine E. Kennedy, M.A., LL.B.**

T 416.865.7709  
 F 416.863.1515  
 E ckennedy@airdberlis.com

Brookfield Place • 181 Bay Street  
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 Toronto ON • M5J 2T9 • Canada  
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**From:** Leo Longo  
**Sent:** January 19, 2012 1:08 PM  
**To:** Corrine Kennedy  
**Cc:** John Mascarin; Ron Clark; 'salmas@collingwood.ca'  
**Subject:** Re: Draft By-Law

Corrine;

I think they need this to go out with the Agenda this afternoon. I have copied the Clerk so that she is aware of this.  
LFL

Leo F. Longo  
Aird & Berlis LLP  
Brookfield Place, Suite 1800  
Box 754, 181 Bay Street  
Toronto, Ontario M5J 2T9  
T:416-865-7778  
F:416-863-1515  
E:llongo@airdberlis.com

Certified Specialist - Municipal Law:  
Local Government & Land Use Planning and Development

Sent from my BlackBerry Wireless Device

---

**From:** Corrine Kennedy  
**Sent:** Thursday, January 19, 2012 12:46 PM  
**To:** Leo Longo  
**Cc:** John Mascarin; Ron Clark  
**Subject:** RE: Draft By-Law

Hi Leo,

After some further discussion with Ed and Ron, and in an effort to make sure we're covered all bases with respect to authorizing at the front end of this transaction and don't have to go back, I am working on some revisions to the bylaw for your review. I hope to turn it to you as early as possible this afternoon. Hope that works for you, but please let me know if you have any concerns about that approach.

Thanks very much,  
Corrine

---

**From:** Leo Longo  
**Sent:** January 18, 2012 3:18 PM  
**To:** 'Sandra Cooper'; Rick Lloyd; Kim Wingrove; Sara Almas; 'Ed Houghton'  
**Cc:** John Mascarin; Ron Clark; Corrine Kennedy  
**Subject:** Draft By-Law

To All;

Further to our conference call this afternoon, please see the revised draft that incorporates much of what was discussed.

As directed, this by-law will not cite any statutory provisions within its "Whereas" clauses.

I have left in section 4 of the by-law. If it is felt that such provision is unnecessary or undesirable, you can remove it.

Regards,  
LFL

**Leo F. Longo**

Certified Specialist

(Municipal Law: Local Government &amp; Land Use Planning and Development)

T 416.865.7778

F 416.863.1515

E [llongo@airdberlis.com](mailto:llongo@airdberlis.com)

Brookfield Place • 181 Bay Street

Suite 1800 • Box 754

Toronto ON • M5J 2T9 • Canada

[www.airdberlis.com](http://www.airdberlis.com)

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**BY-LAW No. 2012-XXX  
OF THE  
CORPORATION OF THE TOWN OF COLLINGWOOD**




---

BEING A BY-LAW TO AUTHORIZE THE ENTERING INTO AND EXECUTION OF A SHARE PURCHASE AGREEMENT RESPECTING THE SALE OF THE SHARES OF THE TOWN OF COLLINGWOOD (THE "TOWN") IN COLLINGWOOD UTILITY SERVICES CORP. ("CUS") TO POWERSTREAM INC., A SHAREHOLDERS AGREEMENT IN RESPECT OF CUS AND RELATED MATTERS

---

**WHEREAS** CUS is wholly owned by the Town;

**AND WHEREAS** each of Collus Power Corp. ("Collus"), Collus Energy Corp. ("Energy") and Collus Solutions Corp. ("Solutions") is a wholly owned subsidiary of CUS (collectively, Collus, Energy and Solutions are referred to as the "Subsidiaries");

**AND WHEREAS** the Town, as the sole shareholder of CUS, wishes to approve a transaction (the "Transaction") wherein the Town will sell of 50% of its shares in the issued capital of CUS (the "Shares") to PowerStream Inc. ("PowerStream"), pursuant to an agreement substantially in the form of a draft share purchase agreement (the "Share Purchase Agreement") and enter into an agreement respecting the governance, shareholdings and related matters of and regarding CUS substantially in the form of a draft unanimous shareholders agreement (the "Unanimous Shareholders Agreement"), each of the draft Share Purchase Agreement and the draft Unanimous Shareholder Agreement having been approved by CUS;

**AND WHEREAS** the Town, as the sole shareholder of CUS, has been provided copies of the draft Share Purchase Agreement and the draft Unanimous Shareholders Agreement, and it is in the interest of the Town and CUS to enter into the Share Purchase Agreement and the Unanimous Shareholders Agreement, and to approve the Transaction contemplated thereby;

**AND WHEREAS** the closing of the Transaction and related actions will take place following the fulfillment of and completion of certain conditions precedent set out in the Share Purchase Agreement;

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF COLLINGWOOD ENACTS AS FOLLOWS:**

1. **THAT** Report No. CAO-2012-007 be received.
2. **THAT** the Town (i) enter into the Share Purchase Agreement and the Unanimous Shareholders Agreement with PowerStream, **once those agreements are in a form and content to the satisfaction of the Mayor, including such changes as the Mayor may consider reasonable or necessary or desirable for the purpose of giving effect to this By-law or as may be required to complete the transactions contemplated by the Share Purchase Agreement and the Unanimous Shareholders Agreement, and** (ii) sell the Shares to PowerStream.
3. **THAT** the Mayor or the Clerk be authorized, for and on behalf of the Town, to execute the Share Purchase Agreement and the Shareholders Agreement and to execute all documentation necessary to effect the sale of the Shares to PowerStream.
4. **THAT** the Mayor or the Clerk, on behalf of the Town, be authorized to undertake all of the following actions, where required, as contemplated by the Share Purchase Agreement and Unanimous Shareholders Agreement for the purposes of completing the Transaction:
  - a. arrange financing and execute any security documentation or other resolutions required in respect of the same;
  - b. authorize and file articles of amendment to (i) change the number of directors authorized for CUS and/or the Subsidiaries and (ii) to change the corporate name of each of the same,

- c. amend by-laws, and update corporate filings as needed in respect of CUS and the Subsidiaries;
- d. amend and enter into service agreements among the Town, CUS and the Subsidiaries;
- e. authorize dividends to be declared and paid by CUS and the Subsidiaries; and
- f. authorize the repayment of moneys owed to the Town by COLLUS in connection with the redemption of a promissory note;

5. **THAT** the Mayor or the Clerk be authorized, for and on behalf of the Town, to take all necessary or appropriate steps and execute and/or deliver all other documents, notices, certificates to be signed and/or delivered under or in connection with the Transaction in accordance with the Share Purchase Agreement and Unanimous Shareholders Agreement, or to give effect to the provisions thereof, and to effect the actions listed in paragraph 4 of this By-law, as required, or otherwise as the Mayor may, in her reasonable discretion, consider necessary or desirable for the purpose of giving effect to this By-law and completing the Transaction.

6. **THAT** appropriate Town Staff and the Town Solicitor report back to Council as required as the conditions precedent to closing this transaction are addressed and, in any event, prior to the final closing of the Transaction.

5. **THAT** this By-law shall come into full force and effect on the date of final passage hereof at which time all By-laws and/or resolutions that are inconsistent with the provisions of this By-law and the same are hereby repealed or rescinded insofar as it is necessary to give effect to the provisions of this By-law.

**ENACTED AND PASSED** this    day of    , 2012.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CLERK

11741870.3

(6)

**Sara Almas**

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**From:** Ed Houghton  
**Sent:** Thursday, January 19, 2012 6:29 PM  
**To:** Sara Almas; Megan Schollenberger  
**Cc:** Kim Wingrove; Sandra Cooper; Rick Lloyd; Dean Muncaster  
**Subject:** Strategic Partnership By-Law  
**Attachments:** Strategic Partnership Bylaw for Collingwood (3).docx

Sara & Megan:

Please find attached the "final" by-law with respect to the Strategic Partnership. As you will note there is no By-Law number and as well we have quoted Kim's Staff Report as CAO-2012-007 and this needs to be confirmed with Kim.

Thanks and sorry for the late changes. I believe that this version is much better than the previous one.

Regards.....Ed

Mr. Ed Houghton, President & CEO  
.....

Collingwood Utility Services Corp.  
P.O. Box 189, 43 Stewart Road  
Collingwood, ON  
L9Y 3Z5  
Phone: 705-445-1800, 2222  
Fax: 705-445-2549  
Email: [ehoughton@collus.com](mailto:ehoughton@collus.com)

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**BY-LAW No. 2012-XXX  
OF THE  
CORPORATION OF THE TOWN OF COLLINGWOOD**




---

BEING A BY-LAW TO AUTHORIZE THE ENTERING INTO AND EXECUTION OF A SHARE PURCHASE AGREEMENT RESPECTING THE SALE OF THE SHARES OF THE TOWN OF COLLINGWOOD (THE "TOWN") IN COLLINGWOOD UTILITY SERVICES CORP. ("CUS") TO POWERSTREAM INC., A SHAREHOLDERS AGREEMENT IN RESPECT OF CUS AND RELATED MATTERS

---

**WHEREAS** CUS is wholly owned by the Town;

**AND WHEREAS** each of Collus Power Corp. ("Collus"), Collus Energy Corp. ("Energy") and Collus Solutions Corp. ("Solutions") is a wholly owned subsidiary of CUS (collectively, Collus, Energy and Solutions are referred to as the "Subsidiaries");

**AND WHEREAS** the Town, as the sole shareholder of CUS, wishes to approve a transaction (the "Transaction") wherein the Town will sell 50% of its shares in the issued capital of CUS (the "Shares") to PowerStream Inc. ("PowerStream"), pursuant to a share purchase agreement (the "Share Purchase Agreement") and enter into an agreement respecting the governance, shareholdings and related matters of and regarding CUS (the "Unanimous Shareholders Agreement"), each of the draft Share Purchase Agreement and the Unanimous Shareholder Agreement having been provided to Council and approved by CUS;

**AND WHEREAS** it is in the interest of the Town and CUS to enter into the Share Purchase Agreement, to approve the Transaction contemplated thereby, and following the fulfillment of and completion of certain conditions precedent set out therein, sell the Shares and enter into the Unanimous Shareholders Agreement,

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF COLLINGWOOD ENACTS AS FOLLOWS:**

1. **THAT** Report No. CAO-2012-007 be received.
2. **THAT** the Town enter into the Share Purchase Agreement and the Unanimous Shareholders Agreement with PowerStream, once those agreements are in a form and content to the satisfaction of the Mayor.
3. **THAT** the Mayor or the Clerk be authorized, for and on behalf of the Town, to execute the Share Purchase Agreement and the Unanimous Shareholders Agreement, with such changes as they may consider reasonable, and to execute all documentation necessary to effect the sale of the Shares to PowerStream, the Transaction and this By-law, including without limitation approve financing, authorize and file articles of amendment, amend bylaws, amend and enter into service agreements between the Town and CUS or its Subsidiaries, authorize dividends to be declared and paid by CUS and the Subsidiaries and authorize repayment of debt under the outstanding promissory note issued to the Town by Collus.
4. **THAT** this By-law shall come into full force and effect on the date of final passage hereof at which time all By-laws and/or resolutions that are inconsistent with the provisions of this By-law and the same are hereby repealed or rescinded insofar as it is necessary to give effect to the provisions of this By-law.

**ENACTED AND PASSED** this day of , 2012.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CLERK

11741870.5



(7)

**From:** Ron Clark  
**Sent:** January-19-12 6:34 PM  
**To:** Leo Longo  
**Subject:** FW: strategic partnership by-law  
**Attachments:** Bylaw for Collingwood.DOCX

Please see attached. Ed took issue with some of our changes so we tried to shorten it and remove the focus on the "draft" nature of the agreements.

Ron

---

**From:** Ron Clark  
**Sent:** January 19, 2012 6:26 PM  
**To:** 'Ed Houghton'  
**Cc:** Corrine Kennedy  
**Subject:** RE: strategic partnership by-law

Revised to remove para. 4.

---

**From:** Ron Clark  
**Sent:** January 19, 2012 6:14 PM  
**To:** 'Ed Houghton'  
**Cc:** Corrine Kennedy  
**Subject:** RE: strategic partnership by-law

Here is a revised draft of the by-law, for your review and comment.

Let me know if you would like it blacklined against the draft you emailed to me below or to the previous draft we provided.

Ron

---

**From:** Ed Houghton [<mailto:ehoughton@collus.com>]  
**Sent:** January 19, 2012 5:03 PM  
**To:** Ron Clark  
**Subject:** FW: strategic partnership by-law

Mr. Ed Houghton, President & CEO

.....  
 Collingwood Utility Services Corp.  
 P.O. Box 189, 43 Stewart Road  
 Collingwood, ON  
 L9Y 3Z5  
 Phone: 705-445-1800, 2222  
 Fax: 705-445-2549  
 Email: [ehoughton@collus.com](mailto:ehoughton@collus.com)

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**From:** Kim Wingrove  
**Sent:** January-19-12 7:08 AM  
**To:** Sara Almas  
**Cc:** Ed Houghton; Leo Longo  
**Subject:** strategic partnership by-law

Sara, attached is the draft by-law for inclusion in the Jan 23 council agenda. I have highlighted 2 areas. One, a holding spot for the Whereas clause that provides the statutory authority for the transaction. I believe this is coming from Aird and Berlis. I also highlighted "and the same" text in the last paragraph. Not sure what that means and wanted confirmation that it is correct.

Kim

**BY-LAW No. 2012-XXX  
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CORPORATION OF THE TOWN OF COLLINGWOOD**




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**AND WHEREAS** it is in the interest of the Town and CUS to enter into the Share Purchase Agreement, to approve the Transaction contemplated thereby, and following the fulfillment of and completion of certain conditions precedent set out therein, sell the Shares and enter into the Unanimous Shareholders Agreement,

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**ENACTED AND PASSED** this day of , 2012.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CLERK

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