

## CERTIFICATE OF THE CLERK

TO: Borden Ladner Gervais LLP

IN THE MATTER OF By-law No. 72-2010 (the "**Debenture By-law**") authorizing an issue of instalment debentures of The Regional Municipality of Niagara (the "**Upper-tier Municipality**") in the aggregate principal amount of \$17,930,620.00 - \$419,229.00 of which relates to The Corporation of the Town of Pelham (the "**Lower-tier Municipality**");

AND IN THE MATTER OF certain authorizing by-laws of the Lower-tier Municipality.

1. I, Nancy Bozzato, the Clerk of the Lower-tier Municipality DO HEREBY CERTIFY THAT:

2. Both authorizing by-laws of the Lower-tier Municipality referred to in Schedule "A" to the Debenture By-law (the "**Authorizing By-laws**") have been enacted and passed by the Council of the Lower-tier Municipality (the "**Council**") in full compliance with the *Municipal Act, 2001*, as amended (the "**Act**") at meetings at which a quorum was present. Forthwith after the passage of the Authorizing By-laws the same were signed by the Mayor, being the Head of Council of the Lower-tier Municipality, and by the Clerk and sealed with the seal of the Lower-tier Municipality.

3. For the capital work described in Schedule "A" to the Debenture By-law (the "**Capital Work**"), before the Council exercised any of its powers in respect of the Capital Work and before authorizing an additional cost amount and an additional debenture authority in respect thereof, the Council had its Treasurer calculate an updated limit in respect of its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing in accordance with the applicable regulation. In this connection, before the Council authorized the Capital Work, such additional cost amount and such additional debenture authority, the Treasurer determined that the estimated annual amount payable in respect of the Capital Work, such additional cost amount and such additional debenture authority, would not cause the Lower-tier Municipality to reach or exceed its updated limit with the result that the Council authorized the Capital Work, such additional cost amount and such additional debenture authority, without the approval of the Ontario Municipal Board pursuant to the applicable debt and financial obligation limits regulation.

4. No application has been made or action brought to quash, set aside or declare invalid the Authorizing By-laws nor have the same been in any way repealed, altered or amended except insofar as By-law No. 2579 (2004) was amended by By-law No. 3105 (2010) and the Authorizing By-laws are now in full force and effect.

5. All of the recitals contained in the Authorizing By-laws are true in substance and fact.

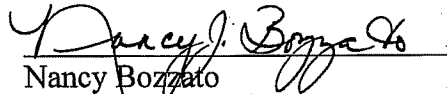
6. To the extent that the public notice provisions of the Act are applicable, the Authorizing By-laws have been enacted and passed by the Council of the Lower-tier Municipality in full compliance with the applicable public notice provisions of the Act.

7. None of the debentures authorized to be issued by the Authorizing By-laws have been previously issued.

8. The principal amount of debentures which is to be issued by the Upper-tier Municipality on behalf of the Lower-tier Municipality in respect of the Capital Work pursuant to the Debenture By-law does not exceed the net cost of such Capital Work to the Lower-tier Municipality.

9. The Authorizing By-laws and the transactions contemplated thereby do not conflict with, or result in a breach or violation of any statutory provisions which apply to the Lower-tier Municipality or any agreement to which the Lower-tier Municipality is a party or under which the Lower-tier Municipality or any of its property is or may be bound, or, to the best of my knowledge, violate any order, award, judgment, determination, writ, injunction or decree applicable to the Lower-tier Municipality of any regulatory, administrative or other government or public body or authority, arbitrator or court.

DATED at the Town of Pelham as at the 30th day of June, 2010.

  
Nancy Bozzato  
Clerk

## CERTIFICATE OF THE TREASURER

TO: Borden Ladner Gervais LLP

IN THE MATTER OF By-law No. 72-2010 (the "**Debenture By-law**") authorizing an issue of instalment debentures of The Regional Municipality of Niagara (the "**Upper-tier Municipality**") in the aggregate principal amount of \$17,930,620.00 - \$419,229.00 of which relates to The Corporation of the Town of Pelham (the "**Lower-tier Municipality**");

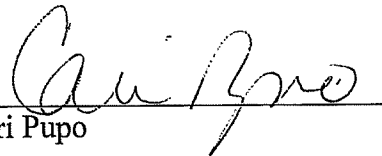
AND IN THE MATTER OF certain authorizing by-laws of the Lower-tier Municipality.

I, Cari Pupo, Treasurer of the Lower-tier Municipality, DO HEREBY CERTIFY THAT:

1. The Lower-tier Municipality has received from the Ministry of Municipal Affairs and Housing its annual debt and financial obligation limit for the year 2004 (the "**2004 Limit**") and for the year 2010 (the "**2010 Limit**").
2. With respect to the undertaking of the capital work of the Lower-tier Municipality described in the Debenture By-law (the "**Capital Work**"), before the Council of the Lower-tier Municipality authorized the Capital Work, and before authorizing an additional cost amount and an additional debenture authority in respect thereof, the Treasurer calculated an updated limit in respect the 2004 Limit or the 2010 Limit, as the case may be, in accordance with Ontario Regulation 403/02 (the "**Regulation**"). The Treasurer thereafter determined that the estimated annual amount payable in respect of the Capital Work, such additional cost amount and such additional debenture authority, would not cause the Lower-tier Municipality to reach or to exceed the updated 2004 Limit or the updated 2010 Limit, as the case may be, as at the date of the Council's approval and, based on the Treasurer's determination, the Council of the Lower-tier Municipality authorized the Capital Work, such additional cost amount and such additional debenture authority without the approval of the Ontario Municipal Board pursuant to the Regulation.
3. As at the date hereof the Lower-tier Municipality has not reached or exceeded its updated 2010 Limit.
4. In updating the 2004 Limit and the 2010 Limit, the estimated annual amount payable described in Section 4(2) of the Regulation was determined based on current interest rates and amortization periods which do not, in any case, exceed the lifetime of any of the respective purposes of the Lower-tier Municipality described in such section, all in accordance with generally accepted accounting principles for local governments as recommended, from time to time, by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.
5. The term within which the debentures to be issued for the Lower-tier Municipality in respect of the Capital Work pursuant to the Debenture By-law are made payable does not exceed the lifetime of such Capital Work.

6. The money received by the Lower-tier Municipality from the sale of the Debentures, including any premium, and any earnings derived from the investment of that money, shall be apportioned and applied to the Capital Works, and to no other purpose except as permitted by the *Municipal Act, 2001*.

DATED at the Town of Pelham as at the 30th day of June, 2010.

  
Cari Pupo  
Treasurer