

TRUST AGREEMENT

THIS AGREEMENT made this 17th day of May 2024 and

as amended on the 2nd day of October 2024

(amendments are highlighted in blue)

BETWEEN:

OTTAWA COMMUNITY LAND TRUST

Incorporated under the Canada Not-for-profit Corporations Act ("OCLT")

And

Francis K. Peddle
(the "Trustee")

IN CONSIDERATION OF the mutual agreements set out below, the sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. DEFINITIONS

In this Agreement:

- a. Bond(s) mean(s) a **one or more** OCLT 2024 Housing Forever Bond substantially in the form of bonds as set out in Schedule A, Schedule B, Schedule C and Schedule D issued to the Bondholders pursuant to this Agreement.
- b. Bondholders means the holders of OCLT 2024 Housing Forever Bonds.
- c. Charge means the charges of the Real Property, given as collateral security for the Bonds, and the obligations of OCLT, as registered in the relevant registry system, given by OCLT to the Trustee.
- d. Events of Default are as set out in Schedule E.

~~e. Real Property means the real properties located at 887 Kirkwood Avenue in Ottawa, Ontario and the future properties (Site #2 and Site #3) to be purchased by OCLT in the City of Ottawa. It also includes Site #4.~~

Real Property(ies) means the real property(ies) located at the municipal address 887 Kirkwood Avenue, Ottawa, Ontario, presently owned by OCLT ("Kirkwood") and, subject to section 8 below, future real property acquisitions in Ottawa, Ontario.

- f. Prime Rate means the commercial lending rate of interest expressed as an annual rate quoted or published by the Bank of Canada as the reference rate of interest from time to time (commonly known as prime) for the purpose of determining the rate of interest that it charges to its commercial customers for loans in Canadian Funds.

2. ESTABLISHMENT OF TRUST

OCLT as settlor transfers the Charge(s) to the Trustee to be held in trust in accordance with the terms of this Trust Agreement. The Trustee accepts the trusts in this Agreement and agrees to perform the same upon the terms and conditions set forth in this Agreement as Trustee for the Bondholders.

OCLT shall forthwith upon request provide the Trustee with such information as they require from time to time, including an up-to-date list of bondholders' names and contact information. The Trustee, in exercising their power and discharging their duties under this Agreement, shall act honestly and in good faith with a view to the best interests of the Bondholders, and exercise the care, diligence and skill of a reasonably prudent trustee.

The Trustee shall have the power to institute and to maintain such actions and proceedings as they may consider necessary or expedient to preserve, protect or enforce their interests and the interests of the Bondholders.

The Trustee represents that at the time of the execution of this Agreement, no material conflict of interest exists in their role as fiduciary to the Bondholders and agrees that in the event of a material conflict of interest arising, they will, within ninety days either eliminate such conflict or resign their trust.

3. CERTIFICATION BY TRUSTEE

- a. No Bond shall be issued, or if issued, shall be effective until it has been certified by or on behalf of the Trustee substantially in the form of the certificate attached to the Bond as set out in Schedule A, Schedule B, Schedule C ~~and~~ or Schedule D as the case may be, or, pursuant to the Trust Agreement dated May 17, 2024 as amended. ~~and~~ Such certification by the Trustee upon ~~of~~ any Bond shall be conclusive evidence as against OCLT that the Bond has been duly issued under this Agreement, and is a valid obligation of OCLT.
- b. The certificate ~~of~~ by the Trustee ~~on~~ of Bonds issued in accordance with this Agreement shall not be construed as a representation or warranty by the Trustee as to the validity of this Agreement or of the Bonds (except for certification as a Bond referred to in this Agreement) and the Trustee shall in no respect be liable or answerable for the use made of the Bonds or any of them or the proceeds thereof.

4. COVENANT TO PAY

OCLT agrees with the Trustee that so long as any Bonds remain outstanding, OCLT shall pay or cause to be paid to every holder of every Bond issued under this Agreement, the principal and interest accrued from every Bond, including, in case of default, interest on all amounts overdue at the specified rate, at the dates and places and in the manner mentioned in the Bonds.

5. RANKING

All Bonds shall rank equally and rateably without discrimination, preference, or priority, whatever may be the actual date or terms of the issue of the Bond, except that OCLT may repay a Bond.

6. BONDHOLDERS' RIGHTS

With the consent of OCLT, at any time, a vote by the holders of seventy-five percent in value of the issued and outstanding Bonds, ~~plus~~ but in no case fewer than seventy-five percent of the total number of Bondholders, evidenced by their consent in writing or by a vote at a meeting of Bondholders, the Bondholders may

- a. vary or abrogate any of the rights conferred on the Bondholders;
- b. direct or authorize the Trustee to exercise any power, right, remedy or authority given to it by this Agreement or the Bonds in any manner specified or to refrain from exercising any such power, right, remedy or authority;
- c. remove a Trustee;
- d. appoint a replacement Trustee; and
- e. waive, and direct the Trustee to waive, any default on the part of OCLT in complying with the provisions of this Trust Agreement or the Bonds, including an Event of Default.

Such consent or vote shall be binding on all the Bondholders, each of whom shall, ~~on~~ at the request of OCLT, surrender their bond to OCLT in order that a memorandum of such variation may be endorsed on it.

The Trustee (subject to the provisions for its indemnity, below) shall be bound to give effect accordingly to every such consent or vote.

7. MEETINGS OF BONDHOLDERS

The procedures for meetings of Bondholders are set out in Schedule F.

Minutes of all resolutions and proceedings at every such meeting of Bondholders shall be made and duly entered in books to be from time to time provided for that purpose by the Trustee at the expense of OCLT.

8. CHARGE

~~As security for the due payment of all money payable pursuant to the Bonds, OCLT shall deliver the Charge in favour of the Trustee on the Real Properties currently owned and those to be acquired. All outstanding Bonds will initially be registered on Kirkwood Avenue and subsequently on site #2 upon acquisition and #3 upon acquisition. Bonds will rank subsequent to~~

- a. ~~a first charge in the principal amount not to exceed \$1,016,989 in the line of credit for the existing building at 887 Kirkwood Avenue, Ottawa, ON, K1Z 5Y3, with~~

- ~~terms substantially as set out in Schedule G.~~
- ~~b. other financing obtained by OCLT that aligns with all financing parameters and conditions stipulated by the OCLT, as set out in the OCLT's Offering Statement delivered to the Bondholders.~~

As security for the payment of all principal and interest payable to the Trustee pursuant to the Bonds, OCLT shall deliver to the Trustee one or more Charges on the Real Property(ies) ranking, in OCLT's sole and absolute discretion in the case of each Real Property, subsequent to additional security (such as General Assignments of Rents) as may be required by first mortgage and other financing obtained by OCLT that aligns with all financing parameters and conditions stipulated by the OCLT, as set out in the OCLT's Offering Statement delivered to the bondholders.

In the case of Kirkwood, the Charge shall be in a principal amount not to exceed \$1,016,989. In the case of any subsequent acquisition, the associated charge(s), together with the principal amount of any higher-ranking security, shall not exceed 100 percent of the current market value of the property, such value being that which the Trustee in their sole and absolute discretion determines.

In addition to the foregoing with respect to principal amount(s), the Charge(s) delivered by OCLT shall be comprised of the terms found in Schedule G. OCLT shall be relieved of its obligation to provide security for 2024 Housing Forever Bonds attaching to properties to be acquired at any time that the aggregate principal amount of the Charge(s) registered against the Real Properties is equal to or greater than the amount raised for 2024 Housing Forever Bonds at May 31, 2025 (or such other date of the closing of the offering).

For more information, see Section 5 in the Offering Statement on the Timing of Security of Bonds Against Current and Future Sites.

9. PROCEEDINGS BY THE TRUSTEE

- a. The Trustee shall give each Bondholder notice within 15 days of the Trustee becoming aware of the occurrence of an Event of Default.
- b. Whenever any Event of Default has occurred, the Trustee, in the exercise of their discretion, or upon the decision of the Bondholders in a meeting called pursuant to Schedule F may proceed to enforce the rights of the Trustee under the Charge and the rights of the Bondholders by any remedy or proceeding authorized or permitted by law or equity and may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and of the Bondholders lodged in any bankruptcy, winding up or other judicial proceedings relative to OCLT and/or the Real Properties.
- c. No such remedy or proceeding for the enforcement of the rights of the Trustee or of the Bondholders shall be exclusive of or dependent on any other such remedy but any one or more of such remedies may from time to time be exercised independently or in combination.
- d. Upon the exercising or taking by the Trustee of any such remedies or proceedings, the principal and interest outstanding on all Bonds then outstanding shall forthwith become due and payable to the Trustee.
- e. All rights of action hereunder may be enforced by the Trustee without the possession of any of the Bonds or the production thereof on the trial or other proceedings relative thereto.
- f. No delay or omission of the Trustee or of the Bondholders to exercise any remedy

referred to in this paragraph shall impair any such remedy or shall be construed to be a waiver or acquiescence of any default.

10. APPOINTMENT OF A RECEIVER

At any time after an event of default has occurred, the Trustee may appoint by writing a receiver of the Real Property upon such terms regarding remuneration and otherwise as the Trustee shall think fit, and remove any receiver so appointed and appoint another in their place. The receiver so appointed shall be the agent of OCLT, and OCLT shall be responsible for such receiver's acts and defaults and for their remuneration, costs, charges and expenses to the exclusion of liability on the part of the Trustee or the Bondholders.

Any receiver shall have power to:

- a. Take possession of, collect and get in all or any part of the Real Property and, for that purpose, to commence, continue, appeal or discontinue proceedings in the name of OCLT or otherwise and to make any arrangement or compromise as the receiver considers necessary.
- b. Borrow or raise money on all or any part of the Real Property for such purposes as may be approved by the Trustee; and,
- c. Sell or concur in selling all or any part of the Real Property without notice and in such manner as may seem advisable to the receiver, and to affect such sale by conveying in the name and on behalf of OCLT or otherwise.

11. APPLICATIONS OF PROCEEDS

Money from time to time received by the Trustee or the receiver may be applied as follows:

- a. First, to pay all expenses deemed necessary by the Trustee or the receiver affecting the Real Property;
- b. Second, in keeping all charges and liens on the Real Property having priority over the Charge in good standing;
- c. Third, in payment of the reasonable fees and disbursements of the receiver and the Trustee;
- d. Fourth, in payment to the Bondholders of the principal and interest payable under the Bonds; and the balance, if any, shall be paid to OCLT

12. INSURANCE

OCLT will keep the Real Properties insured to their full value with a reputable insurance company against loss or damage by fire and such other risks as are in accordance with sound commercial practice normally insured against and shall produce the last receipts for such insurance to the Trustee for inspection on demand.

13. TRUSTEE REMUNERATION, EXPENSES, INDEMNIFICATION AND EXONERATION

The Trustee's fees and all reasonable expenses, disbursements and advances incurred or made by the Trustee in the administration or execution of the trusts hereby created (including the reasonable compensation and the disbursements of counsel and other advisors), both

before any event of default and after, until all duties of the Trustee under the trusts in this Agreement has been fully performed, shall be paid or reimbursed upon request by OCLT, except any such expense, disbursement or advance as may arise from their gross negligence or willful default.

OCLT shall indemnify the Trustee against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the Trustee in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of his role as Trustee. OCLT shall not indemnify an individual under this subsection unless:

- a. The Trustee acted honestly and in good faith with a view to the best interests of the Bondholders; and
- b. If the matter is a criminal or administrative proceeding that is enforced by a monetary penalty, the Trustee had reasonable grounds for believing that his conduct was lawful.

Any amount due under this section and unpaid thirty days after request for such payment shall bear interest at the Prime Rate plus 1% per annum from the expiration of such thirty-day period. After default, all amounts so payable, and the interest thereon shall be payable out of any funds coming into the possession of the Trustee in priority to any payment of the principal or interest on the Bonds.

No Trustee shall not be required to give bond or other security for the due and faithful administration of the Trust or for the discharge of the trusts hereby created.

A Trustee shall not be liable, answerable, or accountable for any loss or damage resulting from the exercise of a discretion or a refusal to exercise a discretion. A Trustee shall be liable, answerable, and accountable for their own dishonesty or gross negligence. A Trustee is liable, answerable, and accountable only for money and securities actually received by them even though they have signed a receipt or other instrument for the sake of conformity. and is not liable, answerable, or accountable for any loss of money or security for money unless the same happens through their own dishonesty or gross negligence. Honesty and good faith shall be presumed in favour of each Trustee unless such presumption is rebutted.

The Trustee shall be entitled in the purported exercise of their duties and discretions hereunder to be indemnified out of the Trust and the income thereof against all expenses and liabilities notwithstanding that such exercise constituted a breach of such Trustee's duties unless brought about by their own actual fraud or gross negligence. The indemnity hereby granted to the Trustee shall extend to the expenses and liabilities incurred by a Trustee in any legal proceedings brought by the beneficiaries or any one or more of them notwithstanding that such proceedings shall be brought in respect of an alleged breach of duty by such Trustee unless it shall be established that such breach of duty was brought about by such Trustee's own actual fraud or gross negligence.

14. CHANGE OF TRUSTEE

The Trustee may resign by notice in writing delivered to all Bondholders to take effect no earlier than the date of a meeting of Bondholders called to appoint a replacement. Prior to resigning, the Trustee shall call such a meeting. A meeting of Bondholders shall have the power to remove a Trustee, and to appoint one or more replacement trustees.

15. DISCRETION OF TRUSTEE

Every discretion or power hereby or by law conferred on the Trustee shall be an absolute and uncontrolled discretion or power and no Trustee shall be held liable for any loss or damage occurring as a result of the Trustee concurring or refusing or failing to concur in an exercise of any such discretion or power.

No Trustee shall be liable for any error of judgment or mistake of law or other mistake or for anything save the wilful misconduct or wilful breach of this Trust or fraud by such Trustee, and each Trustee shall be held harmless against any claims, losses, death duties, succession duties, inheritance and other taxes and impositions arising in connection with the Trust Fund or any part thereof, unless such Trustee has committed an act of wilful misconduct, wilful breach of this Trust or fraud.

16. TRANSFER OF LEASE

OCLT envisions that it will primarily head-lease rental properties to non-profit and cooperative housing providers, or to community-based property managers, who will operate the rental / co-operative housing. OCLT may not directly act as a property manager or residential landlord. OCLT can transfer the leasehold interest in a property notwithstanding any other agreement to the contrary.

17. PROFESSIONAL ADVICE

The Trustee may take legal or other advice and instead of acting personally may employ professional or other assistance as they may deem necessary to the proper discharge of their duties, and may pay proper and reasonable compensation for such advice and assistance and may in relation to this Trust act on the opinion or advice of, or information obtained from, any solicitor, valuator, broker, auctioneer or other expert, but will not be bound to act upon such information or advice and shall not be responsible for any loss occasioned by so acting or by not so acting, as the case may be.

18. NOTICES

Every notice to be given to Bondholders shall be deemed to have been given if such notice is sent by prepaid mail to such Bondholders at their addresses as set out in the records of the Trustee from time to time.

Any notice to the Trustee under the provisions of this Agreement shall be valid and effective if delivered to the Trustee by prepaid regular mail, addressed to the Trustee at:

Francis K. Peddle, Trustee

Address: 144 Anna Avenue, Ottawa, Ontario, ON K1Z 7T9

Any notice to OCLT shall be deemed valid and effective if delivered to an officer of OCLT or if sent by prepaid mail to OCLT at:

OTTAWA COMMUNITY LAND TRUST

Address: 415 Gilmour St, Suite 200, Ottawa, ON K2P 2M8

Attention: Board of Directors

Any notices so given by mail pursuant to this paragraph shall be deemed to have been given on the day of mailing.

Signatures



Name: Steve Pomeroy,
Title: Chair Asset Development Committee
Board of Directors
Ottawa Community Land Trust



Name: Francis K. Peddle
Title: Trustee



Name: Mike Bulthuis,
Title: Executive Director
Ottawa Community Land Trust

I/we have the authority to bind the organization.

SCHEDULE A

Form of 3-Year OCLT 2024 Series A Housing Forever Bond

OTTAWA COMMUNITY LAND TRUST (‘OCLT’)

(Incorporated under the Ontario Non-Profit Corporations
Act)

Investor Name: << Name >> **Bond No.** <<Certificate Number>>
Principal Sum: \$<<Total Bond Principal>> **Date:** << Effective Date >> **Maturity Date:**
<<Maturity Date>> **Interest Rate:** <<3.5%>> annual simple interest on a <<3>>-year term
Housing Forever Bond – Series A

For value received, OCLT acknowledges itself indebted and promises to pay, in Canadian money, to the Investor, on the Maturity Date, the Principal Sum above and to pay interest on that amount, upon and subject to the terms and conditions.

This Bond is one of the Bonds referred to in the Trust Agreement.

Per: Francis K. Peddle, Trustee

1. Interest

Simple interest shall accrue on the balance from time to time outstanding of the Principal Sum at the specified rate per year, calculated annually in arrears. Interest will be paid upon maturity.

2. How and to Whom Payments to be Made

The person in whose name this Bond is registered in the records of OCLT will be regarded as the owner of the Bond and any payments made pursuant to this Bond will be made only to or upon the order in writing of such person.

Payments on account of the Principal Sum or interest, at maturity will be paid, if instructed by the Investor, and directly deposited to the account of the Investor. If the date for payment of any amount of the Principal Sum or interest is not a business day, then payment will be made on the next business day and the Investor will not be entitled to any further interest or other payment in respect of the delay.

3. Prepayment

The Principal Sum may be prepaid by OCLT at its option, in whole or in part, at any time, without penalty, but including interest accrued to the date of prepayment.

4. Security

This Bond and all other similar bonds issued by OCLT are secured by charges in favour of the Trustee for the benefit of all investors of OCLT who are holders of similar bonds to this Housing Forever Bond, on the Real Property held by OCLT, on the terms set out in this Trust Agreement dated the 17th of May 2024 [as amended](#). A copy of this agreement has been delivered to the Investor.

5. Redemption

The Housing Forever Bonds will be non-redeemable by the Bondholder during the term except in extraordinary circumstances, and with the approval of OCLT Board.

6. Defaults

Subject to paragraph 7, the Principal Sum shall become immediately due and payable at the option of the Investor without presentment, demand, notice of dishonour, protest or notice of protest in respect of this Housing Forever Bond, upon the occurrence of any one or more of the following events:

- a. A failure of OCLT to make any payment required to the Investor when due; or,
- b. OCLT shall become insolvent or bankrupt or ceases paying its debts as they mature or shall make an assignment for the benefit of creditors; or,
- c. A trustee, receiver or liquidator shall be appointed for OCLT for a substantial part of the property of OCLT under the laws of any jurisdiction and the appointee of such proceedings shall not have been discharged within sixty days of the appointment or institution of proceedings.

7. When Principal Repayment May Be Delayed

To address cashflow concerns in light of possible future market interest rate fluctuations, principal repayment on maturity may not occur until OCLT is able to do so from cash or cash reserves or until replacement capital is obtained. Such decision would be made by the Board of Directors of OCLT. The rights of the Bondholders are not otherwise affected by such a postponement and their outstanding bonds will continue to accrue interest at the indicated rate.

8. Transfer

No transfer or assignment of this Housing Forever Bond shall be valid without the prior written approval of the OCLT Board of Directors.

9. Successors

The provisions of this Housing Forever Bond shall enure to the benefit of and be binding on the Investor and OCLT, and, as applicable, their respective successors, heirs, administrators and/or legal or personal representatives.

10. Discharge and Satisfaction

Upon payment by OCLT to the Investor of all monies due and payable hereunder, this Bond shall cease and become null and void and the Investor shall upon request and the expense of OCLT execute and deliver to OCLT a full release and discharge.

11. Notice

Any notice required or permitted to be given to any party to this Housing Forever Bond shall be given in writing and shall be delivered personally or mailed by prepaid regular mail. Any such notice shall be conclusively deemed to have been given and received on the day on which it is delivered, if personally delivered, or if mailed, on the second business day immediately next following the date of mailing, and addressed, in the case of OCLT to ADDRESS: CEO and Board, and in the case of the Investor to the Investor's latest address as shown in the records of OCLT. The foregoing information can be changed by giving a notice in accordance with the requirements set out in this Section.

SCHEDULE B

Form of 5-Year OCLT 2024 Series B Housing Forever Bond

OTTAWA COMMUNITY LAND TRUST (‘OCLT’)

(Incorporated under the Ontario Non-Profit Corporations Act)

Investor Name: << Name >> **Bond No.** <<Certificate Number>>

Principal Sum: \$<<Total Bond Principal>> **Date:** << Effective Date >> **Maturity Date:** <<Maturity Date>> **Interest Rate:** <<4%>> annual simple interest on a <<5>>-year term Housing Forever Bond - Series B

For value received, OCLT acknowledges itself indebted and promises to pay, in Canadian money, to the Investor, on the Maturity Date, the Principal Sum above and to pay interest on that amount, upon and subject to the terms and conditions.

This Bond is one of the Bonds referred to in the Trust Agreement.

Per: Francis K. Peddle, Trustee

1. Interest

Simple interest shall accrue on the balance from time to time outstanding of the Principal Sum at the specified rate per year, calculated annually in arrears. Interest will be paid annually.

2. How and to Whom Payments to be Made

The person in whose name this Bond is registered in the records of OCLT will be regarded

as the owner of the Bond and any payments made pursuant to this Bond will be made only to or upon the order in writing of such person.

Payments on account of the Principal Sum or interest, at maturity will be paid, if instructed by the Investor, and directly deposited to the account of the Investor. If the date for payment of any amount of the Principal Sum or interest is not a business day, then payment will be made on the next business day and the Investor will not be entitled to any further interest or other payment in respect of the delay.

3. Prepayment

The Principal Sum may be prepaid by OCLT at its option, in whole or in part, at any time, without penalty, but including interest accrued to the date of prepayment.

4. Security

This Bond and all other similar bonds issued by OCLT are secured by charges in favour of the Trustee for the benefit of all investors of OCLT who are holders of similar bonds to this Housing Forever Bond, on the Real Property held by OCLT, on the terms set out in this Trust Agreement dated the 17th of May 2024 [as amended](#). A copy of this agreement has been delivered to the Investor.

5. Redemption

The Housing Forever Bonds will be non-redeemable by the Bondholder during the term except in extraordinary circumstances, and with the approval of OCLT Board.

6. Defaults

Subject to paragraph 7, the Principal Sum shall become immediately due and payable at the option of the Investor without presentment, demand, notice of dishonour, protest or notice of protest in respect of this Housing Forever Bond, upon the occurrence of any one or more of the following events:

- a. A failure of OCLT to make any payment required to the Investor when due; or,
- b. OCLT shall become insolvent or bankrupt or ceases paying its debts as they mature or shall make an assignment for the benefit of creditors; or,
- c. A trustee, receiver or liquidator shall be appointed for OCLT for a substantial part of the property of OCLT under the laws of any jurisdiction and the appointee of such proceedings shall not have been discharged within sixty days of the appointment or institution of proceedings.

7. When Principal Repayment May Be Delayed

To address cashflow concerns in light of possible future market interest rate fluctuations, principal repayment on maturity may not occur until OCLT is able to do so from cash or cash reserves or until replacement capital is obtained. Such decision would be made by the Board of Directors of OCLT. The rights of the Bondholders are not otherwise affected by such a postponement and their outstanding bonds will continue to accrue interest at the indicated rate.

8. Transfer

No transfer or assignment of this Housing Forever Bond shall be valid without the prior written approval of the OCLT Board of Directors.

9. Successors

The provisions of this Housing Forever Bond shall enure to the benefit of and be binding on the Investor and OCLT, and, as applicable, their respective successors, heirs, administrators and/or legal or personal representatives.

10. Discharge and Satisfaction

Upon payment by OCLT to the Investor of all monies due and payable hereunder, this Bond shall cease and become null and void and the Investor shall upon request and the expense of OCLT execute and deliver to OCLT a full release and discharge.

11. Notice

Any notice required or permitted to be given to any party to this Housing Forever Bond shall be given in writing and shall be delivered personally or mailed by prepaid regular mail. Any such notice shall be conclusively deemed to have been given and received on the day on which it is delivered, if personally delivered, or if mailed, on the second business day immediately next following the date of mailing, and addressed, in the case of OCLT to ADDRESS Attention: CEO and Board, and in the case of the Investor to the Investor's latest address as shown in the records of OCLT. The foregoing information can be changed by giving a notice in accordance with the requirements set out in this Section.

SCHEDULE C
Form of 7-Year OCLT 2024 Series C Housing Forever
Bond OTTAWA COMMUNITY LAND TRUST
(‘OCLT’)
(Incorporated under the Ontario Non-Profit Corporations
Act)

Investor Name: << Name >> **Bond No.** <<Certificate Number>>
Principal Sum: \$<<Total Bond Principal>> **Date:** << Effective Date >> **Maturity Date:**
<<Maturity Date>> **Interest Rate:** <<4.5%>> simple annual interest on a <<7>>-year term
Housing Forever Bond - Series C

For value received, OCLT acknowledges itself indebted and promises to pay, in Canadian money, to the Investor, on the Maturity Date, the Principal Sum above and to pay interest on that amount, upon and subject to the terms and conditions.

This Bond is one of the Bonds referred to in the Trust Agreement.

Per: Francis K. Peddle, Trustee

1. Interest

Simple interest shall accrue on the balance from time to time outstanding of the Principal Sum at the specified rate per year, calculated annually in arrears. Payments will be made annually.

2. How and to Whom Payments to be Made

The person in whose name this Bond is registered in the records of OCLT will be regarded as the owner of the Bond and any payments made pursuant to this Bond will be made only to or upon the order in writing of such person.

Payments on account of the Principal Sum or interest, at maturity will be paid, if instructed by the Investor, and directly deposited to the account of the Investor. If the date for payment of any amount of the Principal Sum or interest is not a business day, then payment will be made on the next business day and the Investor will not be entitled to any further interest or other payment in respect of the delay.

3. Prepayment

The Principal Sum may be prepaid by OCLT at its option, in whole or in part, at any time, without penalty, but including interest accrued to the date of prepayment.

4. Security

This Bond and all other similar bonds issued by OCLT are secured by charges in favour of the Trustee for the benefit of all investors of OCLT who are holders of similar bonds to this Housing Forever Bond, on the Real Property held by OCLT, on the terms set out in this Trust Agreement dated the 17th of May 2024 [as amended](#). A copy of this agreement has been delivered to the Investor.

5. Redemption

The Housing Forever Bonds will be non-redeemable by the Bondholder during the term except in extraordinary circumstances, and with the approval of OCLT Board.

6. Defaults

Subject to paragraph 7, the Principal Sum shall become immediately due and payable at the option of the Investor without presentment, demand, notice of dishonour, protest or notice of protest in respect of this Housing Forever Bond, upon the occurrence of any one or more of the following events:

- a. A failure of OCLT to make any payment required to the Investor when due; or,
- b. OCLT shall become insolvent or bankrupt or ceases paying its debts as they mature or shall make an assignment for the benefit of creditors; or,
- c. A trustee, receiver or liquidator shall be appointed for OCLT for a substantial part of the property of OCLT under the laws of any jurisdiction and the appointee of such proceedings shall not have been discharged within sixty days of the appointment or institution of proceedings.

7. When Principal Repayment May Be Delayed

To address cashflow concerns in light of possible future market interest rate fluctuations, principal repayment on maturity may not occur until OCLT is able to do so from cash or cash postponement and their outstanding bonds will continue to accrue interest at the indicated rate.

8. Transfer

No transfer or assignment of this Housing Forever Bond shall be valid without the prior written approval of the OCLT Board of Directors.

9. Successors

The provisions of this Housing Forever Bond shall enure to the benefit of and be binding on the Investor and OCLT, and, as applicable, their respective successors, heirs, administrators and/or legal or personal representatives.

10. Discharge and Satisfaction

Upon payment by OCLT to the Investor of all monies due and payable hereunder, this Bond shall cease and become null and void and the Investor shall upon request and the expense of OCLT execute and deliver to OCLT a full release and discharge.

11. Notice

Any notice required or permitted to be given to any party to this Housing Forever Bond shall be given in writing and shall be delivered personally or mailed by prepaid regular mail. Any such notice shall be conclusively deemed to have been given and received on the day on which it is delivered, if personally delivered, or if mailed, on the second business day immediately next following the date of mailing, and addressed, in the case of OCLT to ADDRESS Attention: CEO and Board, and in the case of the Investor to the Investor's latest address as shown in the records of OCLT. The foregoing information can be changed by giving a notice in accordance with the requirements set out in this Section.

Schedule D

Form of 3-Year OCLT 2024 Series D Housing Forever Bond

**OTTAWA COMMUNITY LAND TRUST
(‘OCLT’)**

(Incorporated under the Ontario Non-Profit Corporations Act)

Investor Name: << Name >> **Bond No.** << Certificate Number >>

Principal Sum: \$<< Total Bond Principal >> **Date:** << Effective Date >> **Maturity Date:** << Maturity Date >> **Interest Rate:** <<0%>> on a <<3>>-year term Housing Forever Bond – Series D

For value received, OCLT acknowledges itself indebted and promises to pay, in Canadian money, to the Investor, on the Maturity Date, the Principal Sum above upon and subject to

the terms and conditions.

This Bond is one of the Bonds referred to in the Trust Agreement.

Per: Francis K. Peddle, Trustee

1. Interest

Zero interest shall accrue on the balance of the Principal sum.

2. How and to Whom Payments to be Made

The person in whose name this Bond is registered in the records of OCLT will be regarded as the owner of the Bond and any payments made pursuant to this Bond will be made only to or upon the order in writing of such person.

Payments on account of the Principal Sum, at maturity will be paid, if instructed by the Investor, and directly deposited to the account of the Investor. If the date for payment of any amount of the Principal Sum is not a business day, then payment will be made on the next business day and the Investor will not be entitled to any further payment in respect of the delay.

3. Prepayment

The Principal Sum may be prepaid by OCLT at its option, in whole or in part, at any time, without penalty.

4. Security

This Bond and all other similar bonds issued by OCLT are secured by charges in favour of the Trustee for the benefit of all investors of OCLT who are holders of similar bonds to this Housing Forever Bond, on the Real Property held by OCLT, on the terms set out in this Trust Agreement dated the 17th of May 2024 [as amended](#). A copy of this agreement has been delivered to the Investor.

5. Redemption

The Housing Forever Bonds will be non-redeemable by the Bondholder during the term except in extraordinary circumstances, and with the approval of OCLT Board.

6. Defaults

Subject to paragraph 7, the Principal Sum shall become immediately due and payable at the option of the Investor without presentment, demand, notice of dishonour, protest or notice of protest in respect of this OCLT 2024 Housing Forever Bond, upon the occurrence of any one or more of the following events:

- a. A failure of OCLT to make any payment required to the Investor when due; or,
- b. OCLT shall become insolvent or bankrupt or ceases paying its debts as they mature or shall make an assignment for the benefit of creditors; or,

- c. A trustee, receiver or liquidator shall be appointed for OCLT for a substantial part of the property of OCLT under the laws of any jurisdiction and the appointee of such proceedings shall not have been discharged within sixty days of the appointment or institution of proceedings.

7. When Principal Repayment May Be Delayed

To address cashflow concerns in light of possible future market interest rate fluctuations, principal repayment on maturity may not occur until OCLT is able to do so from cash or cash reserves or until replacement capital is obtained. Such decision would be made by the Board of Directors of OCLT. The rights of the Bondholders are not otherwise affected by such a postponement.

8. Transfer

No transfer or assignment of this Housing Forever Bond shall be valid without the prior written approval of the OCLT Board of Directors.

9. Successors

The provisions of this Housing Forever Bond shall enure to the benefit of and be binding on the Investor and OCLT, and, as applicable, their respective successors, heirs, administrators and/or legal or personal representatives.

10. Discharge and Satisfaction

Upon payment by OCLT to the Investor of all monies due and payable hereunder, this Bond shall cease and become null and void and the Investor shall upon request and the expense of OCLT execute and deliver to OCLT a full release and discharge.

11. Notice

Any notice required or permitted to be given to any party to this Housing Forever Bond shall be given in writing and shall be delivered personally or mailed by prepaid regular mail. Any such notice shall be conclusively deemed to have been given and received on the day on which it is delivered, if personally delivered, or if mailed, on the second business day immediately next following the date of mailing, and addressed, in the case of OCLT to ADDRESS Attention: Executive Director and Board, and in the case of the Investor to the Investor's latest address as shown in the records of OCLT. The foregoing information can be changed by giving a notice in accordance with the requirements set out in this Section.

SCHEDULE E

Events of Default

The following are Events of Default:

1. OCLT makes default in payment of the principal or interest on any Housing Forever Bond and such default continues for 10 days;
2. OCLT defaults in the observance of any of the covenants in an Housing Forever Bond;
3. If an order shall be made or a resolution passed for the winding up or liquidation of OCLT;
4. If OCLT shall make a general assignment for the benefit of its creditors or a proposal under the Bankruptcy and Insolvency Act (Canada), or shall be declared, or if a custodian or receiver and manager shall be appointed of OCLT or of any of the Real Property of OCLT;
5. If a creditor or encumbrancer of OCLT shall take possession of any of the Real Property of OCLT;
6. If a default shall occur under any obligation of OCLT to repay borrowed money and such default shall continue for a period sufficient to permit the acceleration of the maturity of such obligation; or,
7. If OCLT shall neglect to carry out or observe any covenant or condition in this Agreement, and, after notice in writing has been given by the Trustee to OCLT specifying such default and requiring rectification thereof, OCLT shall fail to make good such default within a period of 10 days.

SCHEDULE F

Procedures of Meetings of Bondholders

Below are the Procedures of Meetings of Bondholders:

1. **Right to Convene Meeting** – The Trustee shall, on the request of OCLT, or a Bondholder convene a meeting of the Bondholders on ten days' notice in the manner provided for in paragraph 18 of the Trust Agreement. In the event the Trustee fails, within five days after receipt of a request, to give notice convening such meeting, OCLT or such Bondholder holder, as the case may be, may convene such meeting. Every such meeting shall be held at such place as may be determined by the party calling the meeting.
2. **Quorum** - The quorum for a duly constituted meeting of the Bondholders shall be 50% holders present in person or by proxy.
3. **Chair** - A person, who need not be a Bondholder, nominated by the party calling the meeting, shall chair the meeting and if no person is so nominated, those present shall choose a person present at the meeting to be the chair.
4. **Power to Adjourn** - The chair of any meeting may, with the consent of the holders of a majority in principal amount of the OCLT 2024 Housing Forever Bonds as represented there, adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.
5. **Show of Hands** - Every question submitted to a meeting shall be decided in the first place by the votes given on a show of hands unless a poll is requested by any Bondholder. At any such meeting, unless a poll is requested, a declaration by the chair that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.
6. **Poll** - When a poll is requested on any question submitted to a meeting, either before or after a vote by show of hands, it shall be taken in such manner as the chair shall direct.
7. **Proxies** - The Trustee may make rules for voting by proxy and the form of the instrument appointing a proxy.
8. **OCLT and Trustee may be Represented** - OCLT, by its officer or director, the Trustee, and the legal advisors of OCLT and the Trustee, may attend any such meeting, but shall have no vote.

SCHEDULE G – Charge Terms of ~~Prior Charge~~

~~The first charge on 887 Kirkwood Avenue, Ottawa, Ontario includes 1 facility:~~

~~a. **Facility A**~~

~~As of April 30, 2024 balance owing on the commercial Line of Credit from Vancity Community Investment Bank is \$1,016,989.~~

Principal: to be determined in the case of each Charge further to section 8

Calculation Period: annual

Interest Rate: mixed

Payment Date: principal and interest due on maturity

Standard Charge Terms: to be determined by Trustee

Insurance Amount: full insurable value