



**Lakefront
Utilities
Inc.**

207 Division Street, Box 577, Cobourg, Ontario K9A 3P6 • www.lusi.on.ca • Tel: (905) 372-2193 • Fax: (905) 372-2581

December 16th, 2021

Corporation of the Town of Cobourg
Victoria Hall
55 King Street West
Cobourg, ON K9A 2M2

Attention: Mr. Brent Larmer, Municipal Clerk

**RE: LAKEFRONT UTILITIES INC. PROMISSORY NOTE
INTEREST RATE ADJUSTMENT**

Dear Mr. Larmer:

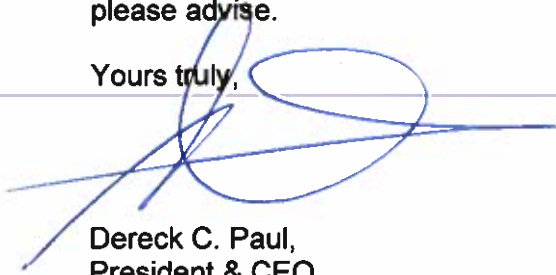
Further to Council Resolution #413-19 dated October 21st, 2019 and the "Amended and Restated Promissory Note", dated January 1st, 2020 (copy attached), which states:

"Interest shall be payable at an initial interest rate of 3.72% per annum; the interest rate will then be periodically adjusted to reflect the OEB's or its successor's, deemed long-term debt rate or equivalent rate effective at the time of the filing of each of the Borrower's cost of service-based applications for new distribution rates before the OEB or its successor".

This memo is to advise that Lakefront Utilities Inc. has recently completed its Cost-of-Service rate application with the Ontario Energy Board, in which the interest rate of the Promissory Note, held by the Shareholder, has been adjusted from 3.72% to 3.49% effective January 1st, 2022.

If you require any additional information from Lakefront Utilities Inc. regarding this notification, please advise.

Yours truly,



Dereck C. Paul,
President & CEO
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