

UNIVERSITIES & AFFILIATED COLLEGES

ELIGIBLE APPLICANTS

The following Ontario universities and federated and affiliated colleges are eligible to apply for a loan from Infrastructure Ontario:

Algoma University College	Assumption University
Renison College	Brescia University College
Brock University	Canterbury College
Carleton University	Concordia Lutheran Theological Seminary
Conrad Grebal University College	Emmanuel College
Holy Redeemer College	Huntington University
Huron University College	Iona College
King's University College	Knox College
Lakehead University	Laurentian University of Sudbury
Le Collège universitaire de Hearst	McMaster Divinity College
McMaster University	Nipissing University
Northern Ontario School of Medicine	Ontario College of Art and Design
Queen's Theological College	Queen's University at Kingston
Regis College	Ryerson University
Saint Pauls University	St. Augustine's Seminary
St. Jerome's University	St. Paul's United College
St. Peter's Seminary	Thorneloe University
Trent University	Université de Guelph – Campus d'Alfred
University of Guelph	University of Guelph – Kemptville Campus
University of Guelph – Ridgetown Campus	University of Ontario Institute of Technology
University of Ottawa	University of St. Michael's College
University of Sudbury	University of Toronto
University of Trinity College	University of Waterloo
University of Western Ontario	University of Windsor
Victoria University	Waterloo Lutheran Seminary
Wilfrid Laurier University	Wycliffe College
York University	

ELIGIBLE PROJECTS

Infrastructure Ontario's Loan Program provides affordable long-term financing for all capital expenditures. Financing is not available for working capital needs.

Universities and federated and affiliated colleges can also borrow to refinance capital projects undertaken between January 1, 2002 and December 31, 2003.

Loan Program Guidelines

ONLINE APPLICATION PROCESS

- Register for a username and password by contacting an Infrastructure Ontario Loan Officer at 1 - 800-230-0937.
- A user name and password will be e-mailed after Infrastructure Ontario has verified the registration information.
- All applicable forms and templates are available within the Webloans application.
- Complete an online application form
- Submit application

TERMS AND RATES

Clients may select repayment terms of 5 to 30 years; but in any event, the repayment period must not exceed the expected life of the capital asset. Amortizing (declining principal) or serial loan structures are preferred to bullet loans. Where bullet loans are requested, sinking fund for the eventual retirement of principal is required. The loan interest rate varies with the term of the loan (i.e., a 10 year loan term would have a different rate than a 30 year loan).

Borrowers can access our lending rates by contacting their Relationship Manager who will provide an indicative rate, as well as answer any financing questions. Loan applications are subject to pricing based on the borrower's market sector.

Infrastructure Ontario reserves the right to withdraw applications if they become inactive for more than one year after the date of submission.

LEGAL AND CREDIT REVIEW

Once the application is complete and has been submitted, Infrastructure Ontario will undertake a legal and credit review. Infrastructure Ontario relies on data obtained from financial statements and other materials provided as part of the application process to complete the reviews.

A legal review is conducted to ensure that the borrower has the requisite authority to borrow from Infrastructure Ontario. Any pending, existing or threatening litigation that may impair the borrower's ability to meet its debt obligations is also reviewed.

A credit review assesses each borrower's ability to repay the loan. More specifically, the Borrower will need to provide a business case which addresses risks under the following headings:

- Project construction
- Past and future financial performance
- Management and governance
- Sustainability of the business model
- Legal structure and security
- Other encumbrances and environmental risks

Once the reviews are complete and approved, applicants will be notified.

FINANCING AGREEMENT

After the Legal and Credit review have been completed, a Financing Agreement will be drafted by Infrastructure Ontario for review and execution by both parties.

Loan Program Guidelines

After the Financing Agreement has been executed and expenditures have been incurred, a short-term advance may be requested. Or, if the project is substantially complete, clients may wish to begin the long-term financing process. Amounts taken as short-term advances are typically converted to a long-term promissory note upon completion of the project.

TYPES OF FINANCING

Long-Term Financing

The client shall issue a long-term promissory note to Infrastructure Ontario for up to the approved amount of the loan as per the Financing Agreement on an agreed upon date. The promissory note specifies when principal and interest payments are due. The interest rate is fixed for the committed term of the loan. Long-term financing conversions will close on the 1st and 15th of every month.

Infrastructure Ontario offers both a mortgaging and serial long-term financing options to clients. With a mortgaging promissory notes, borrowers pay equal amounts of blended principal and interest on each payment date. Alternately, with serial promissory notes, borrowers pay equal amounts of principal on each payment date and interest is calculated on the declining balance.

Short-Term or Construction Financing

Short-term (construction) financing is available to clients during the construction period of an approved project based on incurred costs. Interest is calculated and payable monthly on the 1st day of each month based on the applicable short-term rates. Short-term advances are processed on the 1st and 15th of every month and Infrastructure Ontario requires five business days' notice to process a payment.

Note: Proceeds of the loan are advanced after a Financing Agreement has been executed and expenditures have been incurred.

DEFAULT

In the event that a borrower misses a scheduled payment, penalty interest will be charged on the amount outstanding. Infrastructure Ontario has the right, at its discretion, to terminate the Financing Agreement if a borrower remains in default of its obligations.

In addition, in the event of a default Infrastructure Ontario is authorized to request the Minister of Finance to intercept, on Infrastructure Ontario's behalf, certain amounts payable to the borrower by the Province.

PROJECT MANAGEMENT REPORTING REQUIREMENTS

To help ensure the effective and efficient delivery of projects financed (in whole or in part) with funds from the Loan Program, Infrastructure Ontario has established reporting requirements for capital construction projects only. Loan clients are responsible for submitting project reports according to the Estimated Project Start Date as indicated in their online application and Financing Agreement.

More detailed Project Management Reporting Requirements may be found within the online application.

CONTACT INFORMATION

If you have any questions regarding Infrastructure Ontario's Loan Program or would like clarification on guidelines or eligibility, please visit us online, or contact an Infrastructure Ontario representative any time.

Toll-free Telephone: 1-800-230-0937

Email: loans@infrastructureontario.ca