

## **MUNICIPAL BORROWING BYLAW**

**No. 2011-01**

### **For the Purpose Specified in Section 256(1) of the Municipal Government Act**

WHEREAS, the Council of the Village of Andrew (herein after called the "Corporation") in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of:

To assist with day to day operating expenses.

NOW THEREFORE, pursuant to the provisions of the Municipal Government Act, it is hereby enacted by the Council of the Corporation as a Bylaw that:

1. The corporation borrow from the Alberta Treasury Branches ("ATB") up to the principal sum of \$200,000.00 repayable upon demand at a rate of interest per annum not to exceed the Prime Lending Rate from time to time as established by ATB, and such interest will be calculated daily and due and payable monthly on the last day of each and every month.
2. The Chief Elected Official and the Chief Administrative Officer are authorized for and on behalf of the corporation:
  - (a) to apply to ATB for the aforesaid loan to the corporation and to arrange with ATB the amount. Terms and conditions of the loan and security or securities to be given to ATB;
  - (b) as security for any money borrowed from ATB
    - (i) to execute any promissory notes or other negotiable instruments or evidences of debt for such loans and renewals of all such promissory notes or other negotiable instruments or evidences of debt;
    - (ii) to give or furnish to ATB All such securities and promises as ATB may require to secure payment of such loans and interest thereon; and
    - (iii) to execute all security agreements, debentures, charges, pledges, conveyances and transfers to and in favour of ATB of all or any property, real or personal, moveable or immovable, now or hereafter owned by the Corporation or in which the Corporation may have any interest, and any other documents or contracts necessary to give or to furnish to ATB the security or securities required by it.

4. The sources of money to be used to repay the principal and interest owing under the borrowing from ATB are:

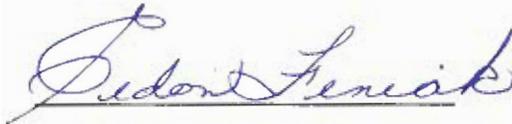
Business Comp 716-9300007-24

5. The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in the Municipal Government Act.
6. In the event that the Municipal Government Act permits extension of the term of the loan and in the event the Council of the Corporation decides to extend the loan and the ATRVB is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 3 hereof and delivered to ATB will be valid and conclusive proof as against the Corporation of the decision of Council to extend the loan in accordance with the terms of such renewal or extension, bill, debenture, promissory note, or other obligation, and ATRB will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.
7. This Bylaw comes into force on the final passing thereof.

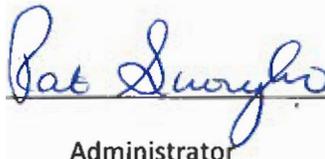
READ for a first time this                      day of *March*                      2011.

READ for a second time this *9th*                      day of *March*                      2011.

READ a third time and passed this *9th*                      day of *March* 2011.



Mayor



Administrator