

**BYLAW NO. 03-2008
OF THE TOWN OF SLAVE LAKE**

(hereinafter referred to as "the Municipality")

IN THE PROVINCE OF ALBERTA

This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$7,260,000 for the purpose of construction of the New Government Centre.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 262 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the New Government Centre.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$28,880,000 and the Municipality estimates the following grants and contributions will be applied to the project:

| | |
|--|---------------------|
| Debenture – Bylaw 23-2006 (80% of total borrowing) | \$1,620,000 |
| Debenture – Bylaw 19-2007 | \$20,000,000 |
| Current proposed Debenture | <u>\$7,260,000</u> |
| Total Cost | <u>\$28,880,000</u> |

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$7,260,000, for a period not to exceed 20 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this by-law is equal to, or in excess of 40 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2006 is \$4,524,813.24 and no part of the principal or interest is in arrears.

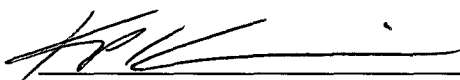
All required approvals for the project have been obtained and the project is in compliance with all *Acts* and *Regulations* of the Province of Alberta.

NOW, THEREFORE, THE COUNCIL OF THE MUNICIPALITY DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of constructing the New Government Centre the sum of Seven Million Two Hundred Sixty Thousand DOLLARS (\$7,260,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$7,260,000 is to be paid by agreement between the Municipality and the Crown in right of Alberta for the commercial lease activity and the due repayment for providing same.

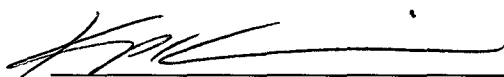
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the 03-2008 New Government Centre.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest instalments not to exceed Twenty (20) years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed the interest rate as set from time to time by the Alberta Capital Finance Authority.
4. The Municipality shall collect lease payments from the Crown in right of Alberta sufficient to pay the indebtedness and in the event that insufficient lease payment is received, the Municipality shall raise and levy in each year municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
7. This by-law comes into force on the date it is passed.

READ A FIRST TIME THIS 5 DAY OF February, 2008.


MAYOR



CHIEF ADMINISTRATIVE OFFICER

READ A SECOND TIME THIS 5 DAY OF February, 2008.


MAYOR

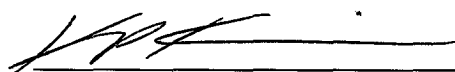

CHIEF ADMINISTRATIVE OFFICER

UNANIMOUS CONSENT TO GIVE THIS A THIRD READING THIS 5 DAY OF February, 2008.


MAYOR


CHIEF ADMINISTRATIVE OFFICER

READ A THIRD TIME THIS 5 DAY OF February, 2008.


MAYOR


CHIEF ADMINISTRATIVE OFFICER