

# BYLAW # 01 - 2005

## FOR THE TOWN OF SLAVE LAKE

***Being a By-Law of the Town of Slave Lake in the Province of Alberta, for the purpose of allowing the borrowing of any sums the Council considers necessary to meet the current operating expenditures and obligations of the Corporation.***

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PURSUANT to the Municipal Government Act, Chapter M-26, R.S.A., 2000 and amendments thereto;

AND WHEREAS the Town of Slave Lake (hereinafter called the "Corporation") in the Province of Alberta, may deem it necessary to borrow an amount not greater than One Million Dollars (\$1,000,000.00) to meet the current operating expenditures and obligations of the Corporation, until such time as the taxes levied or to be levied can be collected;

AND WHEREAS, after the borrowing of the amount hereby authorized, the Corporation will not have exceeded the debt limit established for the Corporation pursuant to the Municipal Government Act;

THEREFORE THE COUNCIL OF THE CORPORATION HEREBY ENACTS as follows:

1. That the Corporation may borrow from time to time from the ROYAL BANK OF CANADA (herein called the "Bank"), by way of direct loans from the Bank a sum or sums not exceeding the aggregate amount of One Million Dollars (\$1,000,000.00) which the council deems necessary for the purpose of meeting current expenditures and obligations of the Corporation until such time as the taxes levied therefore can be collected, and agrees to pay:
  - (a) interest on such direct loans, or on so much thereof as remains from time to time unpaid, at the Bank's prime interest rate per annum in effect from time to time plus  $\frac{1}{4}$  % per annum, as well as before maturity, default and judgment, with interest on overdue interest at the same rate as the principal; and
  - (b) The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in the Municipal Government Act.
2. That the sum or sums so borrowed by the Corporation be payable on demand.
3. That the sum or sums so borrowed by the Corporation shall be evidenced and secured by a promissory note or notes of the Corporation or by such other agreements or instruments as may be required by the Bank.
4. The source or sources of money to be used to repay the principal and interest owing under the borrowing from the Bank are a portion of the taxes and penalties on taxes assessed and/or levied by the Corporation.
5. That the Corporation hereby charges all of the aforesaid taxes, penalties and other revenues as security for the repayment of the monies borrowed hereunder and interest and other amounts payable in respect thereof and enter into such agreements evidencing same as may be required by the Bank.

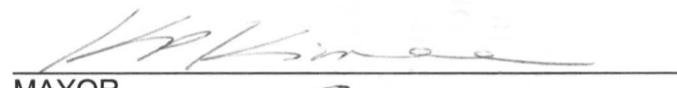
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6. That either the Mayor and/or Deputy Mayor and either the Chief Administrative Officer and/or Director of Finance of the Corporation are hereby authorized to execute and deliver to the Bank, for and on behalf of the Corporation, such promissory note or notes, instruments and agreements as may be required by the Bank to evidence the transactions provided for in this bylaw and upon the execution and delivery of any such promissory note or notes, instrument or agreement by either the Mayor and/or Deputy Mayor and either the Chief Administrative Officer and/or Director of Finance on behalf of the Corporation, such promissory note or notes, instrument or agreement shall conclusively be deemed to be the promissory note or notes, instrument or agreement authorized by this bylaw.
7. That nothing contained herein shall waive, prejudicially affect or exclude any right, power, benefit or security by statute, common law or otherwise given to or implied in favour of the said Bank.
8. THAT this bylaw comes into effect upon the date of its Third Reading and expires on December 31, 2007.

Read a first time this 21st day of December, A.D., 2004

Read a second time this 18 day of JANUARY, A.D., 2005

Read a third time and finally passed, this 18 day of JANUARY, A.D., 2005

  
MAYOR

  
CHIEF ADMINISTRATIVE OFFICER