

Town of Drumheller
Bylaw No. 11-20

BYLAW OF THE TOWN OF DRUMHELLER for the Purpose of Borrowing Monies as Permitted by Section 256 of the Municipal Government Act.

WHEREAS the Council of the Town of Drumheller (hereinafter called the "Corporation") in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of:

Covering operating expenses pending the collection of monies growing due.

NOW THEREFORE pursuant to the provisions of *The Municipal Government Act, RSA 2000*, Chapter M-26 it is hereby enacted by the Council of the Corporation as a bylaw that:

1. The Corporation borrow from Scotiabank up to the principal sum of \$4,000,000.00 repayable upon demand at a rate of interest per annum not to exceed the Prime Lending Rate from time to time established by Scotiabank, 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 Officer and the Chief Administrative Officer are authorized for and on behalf of the Corporation:
 - (a) to apply to Scotiabank for the aforesaid loan to the Corporation and to arrange with Scotiabank the amount, terms and conditions of the loan and security or securities to be given to Scotiabank;
 - (b) as security for any money borrowed from Scotiabank
 - (i) to execute promissory notes and other negotiable instruments or evidences of debt for such loans and renewals of all such promissory notes and other negotiable instruments or evidences of debts;
 - (ii) to give or furnish to Scotiabank all such securities and promises as Scotiabank may require to secure repayment of such loans and interest thereon; and
 - (iii) to execute all security agreements, hypothecations, debentures, charges, pledges, conveyances, assignments and transfers to and in favour of Scotiabank 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 Scotiabank the security or securities required by it.

3. The source or sources of money to be used to repay the principal and interest owing under the borrowing from Scotiabank are:


Taxes, reserves, grants, etc.

4. The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in **The Municipal Government Act, RSA 2000**, Chapter M-26.
5. In the event that **The Municipal Government Act, RSA 2000**, Chapter M-26 permits extension of the term of the loan and in the event the Council of the Corporation decides to extend the loan and Scotiabank is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligations executed by the officers designated in paragraph 2 hereof and delivered to Scotiabank will be valid and conclusive proof as against the Corporation of the decision of the Council to extend the loan in accordance with the terms of such renewal or extension, bill, debenture, promissory note, or other obligation, and Scotiabank will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.
6. Town of Drumheller Bylaw No. 18.16 is hereby repealed.
7. This Bylaw comes into force on the date of the third and final reading.

READ A FIRST TIME THIS 8th day of June, 2020.

READ A SECOND TIME THIS 8th day of June, 2020.

READ A THIRD TIME AND PASSED THIS 8th day of June, 2020.


MAYOR


CHIEF ADMINISTRATIVE OFFICER