

BY-LAW #157-21
SHORT TERM BORROWING BY-LAW
SUNBREAKER COVE WASTEWATER SYSTEM
SUMMER VILLAGE OF SUNBREAKER COVE

FOR THE PURPOSE SPECIFIED IN SECTION 259 OF THE MUNICIPAL GOVERNMENT ACT

WHEREAS, the Council of the Summer Village of Sunbreaker Cove in the Province of Alberta considers it necessary to borrow certain sums of money for the purpose of undertaking construction of a wastewater system within the Summer Village of Sunbreaker Cove,

AND WHEREAS, in order to construct and complete the said project, it may be necessary for the Summer Village of Sunbreaker Cove to incur short term debt in the form of a line of credit.

NOW THEREFORE, pursuant to the provisions of the Municipal Government Act, the Council of the Summer Village of Sunbreaker Cove duly assembled enacts as a By-law that:

1. The Council of Sunbreaker Cove is hereby authorized to borrow from ATB Financial, ("ATB") up to the principal sum of \$1,000,000 repayable upon demand at a rate of interest per annum from time to time established by ATB, not to exceed 10%, and such interest will be calculated daily and due and payable monthly on the last day of each and every month.
2. The borrowing is a line of credit repayable on demand and the Summer Village of Sunbreaker Cove is required to pay accrued interest monthly.
3. The Chief Elected Officer and Chief Administrative Officer are authorized for and on behalf of Sunbreaker Cove:
 - a) To apply to ATB for the aforesaid loan to Sunbreaker Cove 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 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 ATB all such securities and promises as ATB 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 ATB of all or any property, real or personal, moveable or immovable, now or hereafter owned by Sunbreaker Cove or in which Sunbreaker Cove may have an interest, and any other documents or contracts necessary to give or to furnish to ATB the security or securities required by it.
4. The source of money to be used to repay the principal and interest owing under the borrowing from ATB is a payout from a long-term capital loan.
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 an extension of the term of the loan and in the event the Council of Sunbreaker Cove decides to extend the loan and ATB 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 Sunbreaker Cove 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 ATB will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.

This By-Law shall come into force on the date of the final passing thereof.

READ a first time in Council this 24th day of February 2021.

READ a second time in Council this 24th day of February 2021.

READ a third time in Council and passed unanimously this 24th day of February 2021.

TERESA BEETS, MAYOR

TANNER EVANS, CAO