

By-Law Number 1072
Town Of Castor

A BYLAW BEING ENACTED FOR THE PURPOSE OF BORROWING MONIES
FOR CURRENT MUNICIPAL EXPENDITURES AND ESTABLISHING AN
OPERATING LINE OF CREDIT.

Whereas Section 251 (1) of the Municipal Government Act provides that a municipality may only make a borrowing if the borrowing is authorized by a borrowing ByLaw;

And Whereas Section 256 of the Municipal Government Act provides for borrowing made for the purposes of financing operational expenditures.

And Whereas The Council of the Town Of Castor deems it necessary to borrow certain sums of money from time to time to meet current expenditures;

Now Therefore: the Council of the Town of Castor, duly assembled, enacts the following:


1. The Town of Castor borrow from the ATB Financial sums of money from time to time as required to meet current expenditures of the Town of Castor, provided the total principle amount owed to ATB Financial at any one time hereunder, shall not exceed the sum of One Million, Five Hundred Thousand (1,500,000.00) Dollars.
2. Monies so borrowed shall be repayable upon demand and subject to the payment of interest. Interest will be calculated from the date or dates funds are advanced on the daily outstanding principal at Prime minus 0.25% per annum and will be payable on the last day of each month.
3. The Chief Elected Officer and the Chief Administrative Officer are authorized for and on behalf of the Town of Castor;
 - a) To apply to ATB Financial for aforesaid loan (operating line) and to arrange with ATB Financial the amount, terms and conditions of the loan and securities to be given to ATB Financial;
 - b) As security for any money borrowed from ATB Financial:
 - i. To execute promissory notes and other negotiable instruments or evidence of debt for such loans and renewals of all such promissory notes and other negotiable instruments or evidence of debts;
 - ii. To give or furnish to ATB Financial all such securities and promises as ATB Financial may require to secure payment of such loans and interest thereon; and
 - iii. To execute all security agreements, debentures, charges, pledges conveyances, assignments and transfers to and in favor of ATB Financial of all or any property, real or personal, movable or immovable, now or hereafter owned by the Town of Castor or in which the Town of Castor may have any interest, and any other documents or contracts necessary to give

or to furnish to ATB Financial the security or securities required by it.

4. The source or sources of money to be used to repay the principal and interest owing under the borrowing from ATB Financial are taxes, reserves, grants, etc.
5. The amount to be borrowed and 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 Town of Castor decides to extend the loan and ATB Financial is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officer designated in paragraph 3 hereof and delivered to ATB Financial will be valid and conclusive proof as against the Town of Castor 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 will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.

This Bylaw shall have force and take effect on the final reading thereof.

READ a first time this 13 Day of January, 2020.
READ a second time this 13 Day of Jan, 2020.
READ a third time by unanimous consent of Council this 13 Day of Jan, 2020.
READ a third time this 13 Day of Jan, 2020.


MAYOR


CHIEF ADMINISTRATIVE OFFICER