BY-LAW NO. 1-91

COUNTY OF PARKLAND NO. 31

BEING A BY-LAW OF THE COUNTY OF PARKLAND NO. 31 TO BORROW MONEY TO MEET CURRENT OPERATING EXPENDITURES AND OBLIGATIONS

WHEREAS the Council of the County of Parkland No. 31 (hereafter called the "Corporation") considers it necessary to borrow a sum of money to meet current operating expenditures and obligations of the Corporation.

NOW THEREFORE, pursuant to the provisions of the Municipal Government Act and/or the County Act, it is hereby enacted by the Council of the Corporation as a By-law that:

1. The Corporation do borrow not more than the sum of Five Million ($5,000,000.00) Dollars from the Royal Bank of Canada (hereinafter called the "Royal Bank" for the purpose of meeting 1991 current operating expenditures and obligations of the Corporation.

2. The Reeve and Treasurer be and they are hereby authorized for and on behalf of the Corporation:

   a) to apply to the Royal Bank for the aforesaid loan to the Corporation; and

   b) execute on behalf of the Corporation such bills, debentures, promissory notes or similar forms of obligation as the Royal Bank may require as evidence of and security for all sums borrowed hereunder

   and each such bill, debenture, promissory note or obligation shall be valid and binding upon the corporation according to its tenor, and the Royal Bank shall never be bound to enquire whether such officers are observing the limitations on their authority as set forth in this By-law.

3. Notwithstanding the foregoing, the Reeve and Treasurer shall apply such part of the foregoing sum authorized to be borrowed in repayment of previous borrowings of the Corporation such that all amount borrowed and outstanding by the Corporation at any one time to the Royal Bank and to all other persons, firms and corporations shall not exceed the amount of the taxes levied or estimated to be levied by the corporation for the current year, namely the sum of Twenty Five Million ($25,000,000.00) Dollars.

4. All sums borrowed pursuant to Paragraph 1 hereof shall bear interest at the prime rate of interest charged by the Royal Bank for advances in effect from time to time, any change in the said interest rate to become effective on the business day following the corresponding change in the prime rate charged by the Royal Bank for advances, and such interest shall be calculated and due and payable monthly.

5. All sums authorized to be borrowed hereunder, including interest, shall be due and payable in full no later than December 31st, 1991 unless hereafter extended by authority of the Council of the Corporation.

6. As security for payment of money borrowed pursuant to Paragraph 1 hereof, the Council hereby pledges to the Royal Bank the whole of the unpaid taxes and penalties on taxes assessed or levied in any prior years together with penalties thereon, that are owed to the Corporation, and the whole of the taxes for the current year that are now or may become owing to the corporation, but such security shall be collateral to the obligations of the Corporation to repay with interest all sums borrowed from the Royal Bank, and the Royal Bank shall not be bound to recover any such taxes or penalties before being entitled to payment from the Corporation.

7. In the event the Council of the Corporation decides to extend the said loan and the Royal Bank are prepared to extend the said loan any renewal or extension bill, debenture, promissory note or other obligation executed by the officers designed in paragraph 2 hereof and delivered to the Royal Bank shall 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, enquire into the authority of such officers to execute and deliver any such renewal or extension document.

8. This By-law comes into force on the final passing thereof.

Read a first time this 17th day of January, A.D. 1991.

Read a second time this 17th day of January, A.D. 1991.

Read a third time by unanimous consent of the members present this 17th day of January, A.D. 1991.

REEVE

SEAL

MUNICIPAL SECRETARY

CERTIFICATE

WE HEREBY CERTIFY that the foregoing By-law was duly passed and enacted by the Council of the Corporation therein mentioned at a duly and regularly constituted meeting thereof held on the 17th day of January, 1991 at which a quorum was present, as entered in the minutes of the said Council and that the said By-law is still in full force and effect.

Witness our hand and the seal of the Corporation this 17th day of January, 1991.

REEVE

SEAL

MUNICIPAL SECRETARY