

**TOWN OF CHESTERMERE
PROVINCE OF ALBERTA
BYLAW # 016-12**

A Bylaw of the Town of Chestermere, in the Province of Alberta, to authorize the Municipal Borrowing capacity with TD Bank.

WHEREAS for the purpose Specified in Section 256 of the Municipal Government Act

AND WHEREAS the Council of the Town of Chestermere in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of:

Alberta Business Credit Cards
Electronic Funds Transfer
Letters of Credit
Over Draft Protection

NOW THEREFORE pursuant to the provisions of the Municipal Government Act, it is hereby enacted by the Council as a Bylaw that:

1. The Town borrow from TD Commercial Banking("TD Bank") up to the principal sum of \$6,000,000.00 repayable upon demand at a rate of interest per annum not to exceed the Prime Lending Rate from time to time established by TD Bank, 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 Town:
 - a) to apply to TD Bank for the aforesaid loan to the Town and to arrange with TD Bank the amount, terms and conditions of the loan and security or securities to be given to TD Bank:
 - b) as security for any money borrowed from TD Bank
 - (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 TD Bank all such securities and promises as TD Bank 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 TD Bank of all or any property, real or personal, moveable or immovable, now or

hereafter owned by the Town or in which the Town may have any interest, and any other documents or contracts necessary to give or to furnish to TD Bank 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 TD Bank are:

Property taxes, reserves, grants

4. The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in the Municipal Government Act.
5. 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 decides to extend the loan and TD Bank 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 TD Bank will be valid and conclusive proof as against the Town 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 TD Bank 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 take effect on the day which it is passed.

Bylaw 053-09 is hereby repealed in its entirety.

READ A FIRST TIME this 17th day of September, 2012.

READ A SECOND TIME this 17th day of September, 2012.

READ A THIRD TIME this 17th day of September, 2012.

Resolution No's: 313-12, 314-12, 315-12, 316-12



Mayor



CAO