



**TOWN OF CLARESHOLM
PROVINCE OF ALBERTA
BYLAW #1793**

WHEREAS the Council of the Town of Claresholm (hereinafter called the “Corporation”) in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of meeting operating expenditures;

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

1. The Corporation borrow from the Bank of Montreal (“BMO”) up to the principal sum of \$450,000.00 repayable upon demand at a rate of interest per annum from time to time established by BMO not to exceed 9%, and such interest will be calculated daily and due and payable monthly on the last day of each and every month. The principal sum of \$450,000.00 consists of the following:
 - a. \$450,000.00 revolving line of credit;
2. The Chief Elected Officer (“CEO”) and Chief Administrative Officer (“CAO”) are authorized for and on behalf of the Corporation:
 - a. To apply to BMO for the aforesaid loan to the Corporation and to arrange with BMO the amount, terms and conditions of the loan and security or securities to be given to BMO;
 - b. As security for any money borrowed from BMO:
 - 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 BMO all such securities and promises as BMO 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 BMO 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 BMO 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 BMO 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*.
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 Corporation decides to extend the loan and BMO is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 2 hereof and delivered to BMO 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 BMO will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.
6. This Bylaw comes into force on the final passing thereof.
7. Bylaw #1765 is hereby rescinded.

Read a first time in Council this day of 2024 A.D.

Read a second time in Council this day of 2024 A.D.

Read a third time in Council and finally passed in Council this day of 2024 A.D.

Brad Schlossberger, Mayor

Abe Tinney, Chief Administrative Officer