

**SUMMER VILLAGE OF SANDY BEACH
BYLAW 2005-02**

MUNICIPAL BORROWING BYLAW

For the purpose Specified in Section 257(1) of the Municipal Government Act

Whereas, the Council of the Summer Village of Sandy Beach (hereinafter called the "Corporation") in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of:

Constructing a Shop

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

1. The Corporation borrows from ATB Financial ("ATB") up to the principal sum of Two Hundred and Ninety Two Thousand Seven Hundred Dollars (\$272,900.00) repayable upon demand at a rate of 6.00%.
2. Prior to demand the Corporation make, on account of the borrowing, payments of \$84,471 annually for a term of four (4) years commencing July 1, 2006.
3. The Chief Elected Officer and Chief Administrative Officer are authorized for and on behalf of the Corporation:
 - a) To apply to ATB for the aforesaid loan to the Corporation 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 favor of ATB of all or any property, real or personal, moveable or immovable, now

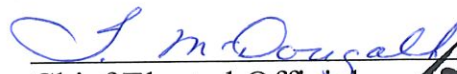
or hereafter owned by the Corporation or in which the Corporation may have any interest, and any other documents or contracts necessary to give or to furnish to ATB the security or securities required by it.

4. The source or sources of money to be used to repay the principal and interest owing under the borrowing from ATB is general tax revenue and the Alberta Municipal Infrastructure Program Grant.
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 extension of the term of the loan and in the event the Council of the Corporation 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 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 ATB will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.
7. This bylaw comes into force on the final passing thereof.

Certificate

WE HEREBY CERTIFY that the foregoing resolution was duly passed by the Council of the Corporation therein mentioned at a duly and regularly constituted meeting thereof held on the 13th day of August 2005, at which a quorum was present, as entered in the minutes of the said Council, and that the Bylaw has come into force and is still in force and effect.

WITNESS our hands and the seal of the corporation the 13th day of August 2005.



Chief Elected Official
Mayor Thea McDougall



Chief Administrative Officer
Shelley Lindsay

