

RURAL MUNICIPALITY OF DUFFERIN

By-law No. 1972

Being a By-law of the Rural Municipality of Dufferin to allow for Municipal Borrowing for Current Expenses.

WHEREAS the Council of the Rural Municipality of Dufferin (herein called "the Corporation") deems it necessary to borrow the sum of Two Million, Five Hundred Thousand Dollars (\$2,500,000.00) annually to meet the expenditures of the Corporation until such time as the taxes levied therefore are collected;

AND WHEREAS the total amount of the taxes collected by the Corporation and grants in lieu of taxes received for the 2018 year was the sum of seven million, fifty-seven thousand, one hundred and eighty-one dollars and sixty-two cents (\$7,057,181.62);

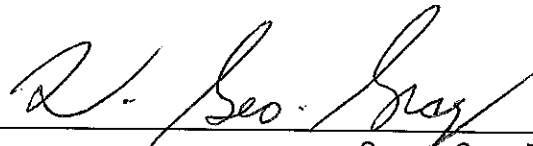
AND WHEREAS the amounts (if any) heretofore borrowed and outstanding for the purpose and the amount hereby authorized to be borrowed and the amounts (if any) heretofore borrowed by any School Division during the present year for current purposes in anticipation of the school tax monies to be received by it from the Corporation do not exceed the total amount of the taxes so collected and grants in lieu of taxes received as aforesaid,

NOW THEREFORE BE IT ENACTED by the Corporation of the Rural Municipality of Dufferin as follows:

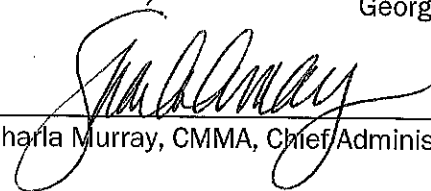
1. That the Reeve and Chief Administrative Officer of the Corporation be and are hereby authorized to borrow under the seal of the Corporation from the Access Credit Union Limited (herein called "ACU") the sum of Two Million, Five Hundred Thousand Dollars (\$2,500,000.00), for the purpose aforesaid and to pay or agree to pay interest thereon, or on so much thereof as remains from time to time unpaid, calculated at ACU's prime interest rate per annum in effect from time to time less .5% per annum, as well after as before maturity, default and judgment, with interest on overdue interest at the same rate as the principal.
2. That the amount so borrowed with interest aforesaid be evidenced by either the following means:
 - (a) by one or more promissory notes under the seal of the corporation and signed by the Reeve and Chief Administrative Officer thereof and given to the ACU, or
 - (b) by overdraft on the account of the corporation with the ACU by cheques signed by the Mayor and Chief Administrative Officer thereof.
3. That the Corporation hereby mortgages, assigns, transfers, pledges and hypothecates to the said ACU the taxes of the Corporation for municipal, school or the purposes of The Minister of Intergovernmental Affairs as additional security for the repayment of the amount so borrowed for any of such respective purposes.
4. That the Corporation shall deposit said taxes with the ACU as collected in an account as collateral security for payment of the amount so borrowed and interest, but the ACU shall not be restricted to the said taxes for payment of the sum borrowed hereunder, nor shall it be bound to wait for repayment of said sum until said taxes are collected, or be required to see that they are deposited or applied as aforesaid.
5. That the amount so borrowed and interest shall be payable within the current fiscal year.

6. That the Reeve and Chief Administrative Officer are hereby authorized to give to the said ACU in the name, on behalf of and under the seal of the Corporation as security for the moneys so borrowed, and interest thereon, a covenant or agreement containing a clause that all taxes levied or to be levied by the Corporation be and they are thereby pledged, hypothecated, mortgaged, transferred and assigned to the ACU as security for said loan and interest thereon and are charged as a first charge with repayment of such loan and interest, or a clause to like effect; and that said taxes shall be deposited forthwith on being collected in the ACU to the credit of the Corporation in an account as collateral security for said advance.
7. That this By-law shall come into force and have effect immediately from and after the passing thereof.
8. That nothing herein or in said covenant or agreement contained shall waive, prejudicially affect or exclude any right, power, benefit or security by statute, common law or otherwise given to or implied in favor of the said Access Credit Union Limited.
9. That By-law No. 1826 be repealed.

DONE AND PASSED at a duly assembled and constituted meeting of the Council of the Rural Municipality of Dufferin held this 17th day of April, 2018.



George Gray, Reeve



Sharla Murray, CMMA, Chief Administrative Officer

Read a first time this 20th day of March, 2018.
Read a second time this 17th day of April, 2018.
Read a third time this 17th day of April, 2018.

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COVENANT OR AGREEMENT TO BE USED WITH MUNICIPAL BY-LAWS**

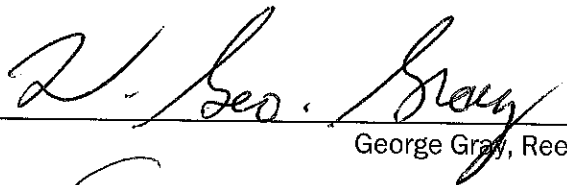
COVENANT OR AGREEMENT given by the Rural Municipality of Dufferin (hereinafter called the Corporation), to the Access Credit Union Limited, hereinafter called (ACU).

WHEREAS by By-law No 1972, of the Corporation providing for borrowing from ACU the sum of Two Million, Five Hundred Thousand Dollars (\$2,500,000.00) to meet the annual expenditures of the Corporation for the fiscal years 2018, inclusive, provision is made for the giving of this Covenant or Agreement as security for said loan and interest thereon.

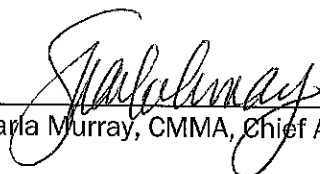
NOW THEREFORE THIS COVENANT OR AGREEMENT WITNESSETH that in consideration of the premises the Corporation covenants and agrees with ACU as follows:

- (1) That all taxes levied or to be levied by the Corporation for the fiscal years 2018, inclusive, be and they are hereby pledged, hypothecated, mortgaged, transferred and assigned to ACU as security for said loan and interest thereon and are charged as a first charge with repayment of such loan and interest.
- (2) That said taxes shall be deposited forthwith on being collected in the said ACU to the credit of the Corporation in an account as collateral security for said advance.

IN WITNESS WHEREOF these presents have been executed under the seal of the Corporation attested by the signatures of its Reeve and Chief Administrative Officer this 17th day of April, 2018.



George Gray, Reeve



Sharla Murray, CMMA, Chief Administrative Officer