

THE CORPORATION OF THE TOWNSHIP OF WESTMEATH

BY-LAW 98-10

A By-Law to authorize borrowing money to meet principal and interest falling due within the year upon any debt of the Corporation.

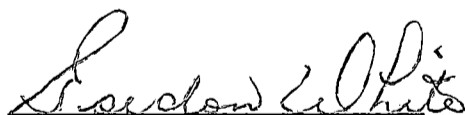
WHEREAS Section 187(1) of the Municipal Act R.S.O. 1990, Chapter M45 permits a Council to borrow money by way of a promissory note or banker's acceptance, an amount as the council considers necessary to meet principal and interest payments falling due within the year upon any debt of the corporation for special purposes.

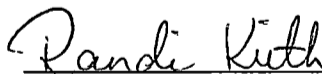
WHEREAS the Council of the Corporation of the Township of Westmeath deems it necessary to borrow the sum of \$ 110,000.00 (ONE HUNDRED AND TEN THOUSAND DOLLARS) to repay an amount borrowed to pay for the installation of a water line in Part Lot 27, Concession B, East of Muskrat Lake.

BE IT THEREFORE ENACTED as a By-Law of the said Corporation as follows:-

1. The Head and Treasurer are hereby authorized to borrow from the Bank of Nova Scotia by way of promissory note a sum of ONE HUNDRED AND TEN THOUSAND (\$ 110,000.00) DOLLARS to be repaid in 47 equal monthly instalments of principal of \$ 2,291.67 at a floating rate of the prime lending rate of the Bank of Nova Scotia as set out in Schedule "A" attached.
2. The Head and Treasurer are hereby authorized to sign on behalf of the Corporation any document required by the Bank of Nova Scotia for the repayment of the above mentioned loan.
3. That all sums required to pay off the instalments of principal of the Loan and to pay interest thereon as set out in Schedule "A" attached hereto, shall be levied and raised in the years 1998 to 2002, inclusive by a general rate upon all the rateable property in the Municipality.
4. That the said payments of principal and interest shall be payable in lawful money of Canada and shall be debited to the general account of the Township of Westmeath on the 22nd day of each month.
5. That Schedule "A" attached hereto, are hereby declared to be and to form part of this By-Law.

PASSED and ENACTED this 8th day of April, 1998.


Reeve


Clerk

Schedule A
Date Feb 27, 1998

TERM NOTE

Principal \$ 110,000.⁰⁰
Interest *\$ _____
Total \$ 110,000.⁰⁰

* Include when interest pre-calculated.



For value received the undersigned, jointly and severally (if more than one), promise(s) to pay to the order of THE BANK OF NOVA SCOTIA at its Beachburg Branch the sum of one hundred & ten thousand Dollars with interest calculated on a daily basis and payable monthly as well after as before maturity, and both before and after default and judgment, and interest on overdue interest. Rate of interest and payment of principal as follows:

RATE OF INTEREST:	<input type="checkbox"/>	FIXED RATE - at the rate of _____ % per annum.
	<input checked="" type="checkbox"/>	FLOATING RATE - at the rate per annum equal to the prime lending rate of The Bank of Nova Scotia from time to time PLUS <u>5</u> % per annum (at the date of this note the prime lending rate of The Bank of Nova Scotia is <u>6.50</u> % per annum).
PAYMENT OF PRINCIPAL: (Complete ONE box only)	<input checked="" type="checkbox"/>	in <u>47</u> equal <u>monthly</u> instalments of principal of \$ <u>2291.67</u> , commencing on <u>March 22, 1998</u> , with the balance of principal with accrued interest on <u>Feb 22, 2002</u> .
	<input type="checkbox"/>	in _____ equal _____ instalments of principal AND INTEREST of \$ _____, applied first to accrued interest, commencing on _____, _____, and the balance of principal with accrued interest on _____.
	<input type="checkbox"/>	in irregular instalments of principal: (insert terms of payment)

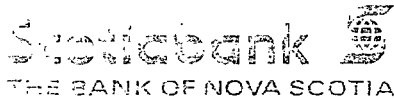
and the balance of principal with accrued interest on _____.

If the undersigned fails to pay on its due date any payment of principal or interest on this note or any other indebtedness or liability of the undersigned to the Bank, the balance of principal with accrued interest on this note shall thereupon become due and payable.

Account Loan No. _____

x Gordon Whitelee
x Randi Keith, Club-Treasurer

Certified to be true copy of original.
Randi Keith, Club-Treasurer
Township of Westmeath



THE BANK OF NOVA SCOTIA

P.O. Box 9
Beachburg, Ontario
K0J 1C0

January 29, 1996

Corporation of the Township of Westmeath

Dear Sir:

We are pleased to confirm that subject to acceptance by you, The Bank of Nova Scotia (the "Bank") will make available to Corporation of the Township of Westmeath (the "Borrower"), credit facilities on the terms and conditions set out in the attached Terms and Conditions Sheet and Schedule "A".

If the arrangements set out in this letter, and in the attached Terms and Conditions Sheet and Schedule "A" (collectively the "Commitment Letter") are acceptable to you, please sign the enclosed copy of this letter in the space indicated below and return the letter to us by the close of business on February 16, 1996 after which date this offer will lapse.

This Commitment Letter replaces all previous commitments issued by the Bank to the Borrower.

Yours very truly,

H. Vander Velde
Manager

The arrangements set out above and in the attached Terms and Conditions Sheet and Schedule "A" (collectively the "Commitment Letter") are hereby acknowledged and accepted by:

Corporation of the Township of Westmeath
Name

By: [Handwritten Signature]
Title:

By: Randi Kuth
Title Clerk - Treasurer

Date: February 25, 1998

TERMS AND CONDITIONS

CREDIT NUMBER: 01

AUTHORIZED AMOUNT: \$250,000

TYPE

Operating

PURPOSE

General operating requirements.

CURRENCY

Canadian dollars

AVAILMENT

The Borrower may avail the credit by way of direct advances evidenced by Demand Promissory Notes.

INTEREST RATE

The Bank's Prime Lending Rate from time to time with interest payable monthly.

DRAWDOWN

Advances are to be made in minimum multiples of \$5,000.

REPAYMENT

Advances are repayable on demand.

SPECIFIC SECURITY

The following security, evidenced by documents in form satisfactory to the Bank and registered or recorded as required by the Bank, is to be provided prior to any advances or availment being made under the Credit(s):

Municipal Borrowing By-Law for Current Expenditures containing a pledge of tax revenues.

Security Agreement

Handwritten: \$110,000.00
RK

CREDIT NUMBER: 02

AUTHORIZED AMOUNT: ~~\$139,000~~

TYPE

Non-revolving

PURPOSE

To assist with upgrade to water system.

CURRENCY

Canadian dollars

AVAILMENT

The Borrower may avail the Credit by way of direct advances evidenced by Demand Promissory Notes.

INTEREST RATE

Floating Rate Option

The Bank's Prime Lending Rate from time to time with interest payable monthly.

Fixed Rate Option

The Borrower has the option to fix the interest rate for the balance of the term of the loan during the first 3 years of the term of the loan. Rates will be quoted upon request and will be based on Scotia Mortgage Corporation's 1, 2, 3 and 4 year rates.

DRAWDOWN

The loan is to be fully drawn down by February 29, 1996.

27 1998 RK
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REPAYMENT

The advance is repayable in 48 equal monthly installments of principal (\$2,896) commencing March 1996, with a final payment of the balance of principal and interest then outstanding due February 2000. The term of the loan is 4 years and the amortization is 4 years.

RK
229167
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2002 RK
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PREPAYMENT

Floating Rate Option

Prepayment is permitted without penalty at any time in whole or in part.

Prepayments are to be applied against installments of principal in the inverse order of their maturities.

Fixed Rate Option

Prepayment of the loan in whole or in part is permitted at any time on payment of an amount equal to the greater of:

- i) three months simple interest at the rate applicable to the loan on the principal amount prepaid; and
- ii) the amount, if any, by which interest at the rate applicable to the loan exceeds interest at the prevailing rate at the time of prepayment calculated on the amount of the principal prepayment for the remaining term of the loan. The "prevailing rate at the time of prepayment" is defined as that rate at which the Bank would then lend to the Borrower, based on the same security, for the remaining term of the loan.

SPECIFIC SECURITY

The following security, evidenced by documents in form satisfactory to the Bank and registered or recorded as required by the Bank, is to be provided prior to any advances or availment being made under the Credit(s):

Municipal Borrowing By-Law authorizing the borrowing and the related capital expenditure for which financing is required.

GENERAL CONDITIONS

Until all debts and liabilities under the Credit(s) have been discharged in full, the following conditions will apply in respect of the Credit(s):

From January 1st to September 30th of each year, advances under the Operating credit are to be limited to 50% of total estimated annual revenue as approved by Council.

From October 1st to December 31st of each year, advances under the Operating credit are to be limited to 25% of estimated revenue as approved by Council.

Comply with all applicable borrowing legislation.

Advise the Bank of any breach of statutory borrowing limits.

Provide the Bank with certificates of estimated revenues from time to time, upon request.

GENERAL BORROWER REPORTING CONDITIONS

Until all debts and liabilities under the Credit(s) have been discharged in full, the Borrower will provide the Bank with the following:

Annual Audited Financial Statements within 120 days of the Borrower's fiscal year end, duly signed along with a copy of the budget for the ensuing year.

SCHEDULE A

ADDITIONAL TERMS AND CONDITIONS APPLICABLE
TO ALL CREDITS

1. Calculation and Payment of Interest

Interest on loans/advances made in Canadian dollars will be calculated on a daily basis and payable monthly on the 22nd day of each month (unless otherwise stipulated by the Bank). Interest shall be payable not in advance on the basis of a calendar year for the actual number of days elapsed both before and after demand of payment or default and/or judgment.

2. Interest on Overdue Interest

Interest on overdue interest shall be calculated at the same rate as interest on the loans/advances in respect of which interest is overdue, but shall be compounded monthly and be payable on demand, both before and after demand and judgment.

3. Environment

The Borrower agrees:

- (a) to obey all applicable laws and requirements of any federal, provincial, or any other governmental authority relating to the environment and the operation of the business activities of the Borrower;
- (b) to allow the Bank access at all times to the business premises of the Borrower to monitor and inspect all property and business activities of the Borrower;
- (c) to notify the Bank from time to time of any business activity conducted by the Borrower which involves the use or handling of hazardous materials or wastes or which increases the environmental liability of the Borrower in any material manner;
- (d) to notify the Bank of any proposed change in the use or occupation of the property of the Borrower prior to any change occurring;
- (e) to provide the Bank with immediate written notice of any environmental problem and any hazardous materials or substances which have an adverse effect on the property, equipment, or business activities of the Borrower and with any other environmental information requested by the Bank from time to time.
- (f) to conduct all environmental remedial activities which a commercially reasonable person would perform in similar circumstances to meet its environmental responsibilities and if the Borrower fails to do so, the Bank may perform such activities; and
- (g) to pay for any environmental investigations, assessments or remedial activities with respect to any property of the Borrower that may be performed for or by the Bank from time to time.

If the Borrower notifies the Bank of any specified activity or change or provides the Bank with any information pursuant to subsections 3(d), (e), or (f), or if the Bank receives any environmental information from other sources, the Bank, in its sole discretion, may decide that an adverse change in the environmental condition of the Borrower has occurred which decision will constitute, in the absence of manifest error, conclusive evidence of the adverse change. Following this decision being made by the Bank, the Bank shall notify the Borrower of the Bank's decision concerning the adverse change.

If the Bank decides or is required to incur expenses in compliance or to verify the Borrower's compliance with applicable environmental or other regulations, the Borrower shall indemnify the Bank in respect of such expenses, which will constitute further advances by the Bank to the Borrower under this Agreement.

4. Periodic Review

The obligation of the Bank to make further advances or other accommodation available under any Credit(s) of the Borrower under which the indebtedness or liability of the Borrower is payable on demand, is subject to periodic review and to no adverse change occurring in the financial condition of the Borrower or any guarantor.

5. Evidence of Indebtedness

The Bank's accounts, books and records constitute, in the absence of manifest error, conclusive evidence of the advances made under this Credit, repayments on account thereof and the indebtedness of the Borrower to the Bank.

6. Acceleration

(a) All indebtedness and liability of the Borrower to the Bank payable on demand, is repayable by the Borrower to the Bank at any time on demand;

(b) All indebtedness and liability of the Borrower to the Bank not payable on demand, shall, at the option of the Bank, become immediately due and payable, the security held by the Bank shall immediately become enforceable, and the obligation of the Bank to make further advances or other accommodation available under the Credits shall terminate, if any one of the following Events of Default occurs:

- (i) the Borrower or any guarantor fails to make when due, whether on demand or at a fixed payment date, by acceleration or otherwise, any payment of interest, principal, fees, commissions or other amounts payable to the Bank;
- (ii) there is a breach by the Borrower of any other term or condition contained in this Commitment Letter or in any other agreement to which the Borrower and the Bank are parties;
- (iii) any default occurs under any security listed in this Commitment Letter under the headings "Specific Security" or "General Security" or under any other credit, loan or security agreement to which the Borrower is a party;

- (iv) any bankruptcy, re-organization, compromise, arrangement, insolvency or liquidation proceedings or other proceedings for the relief of debtors are instituted by or against the Borrower and, if instituted against the Borrower, are allowed against or consented to by the Borrower or are not dismissed or stayed within 60 days after such institution;
- (v) a receiver is appointed over any property of the Borrower or any judgement or order or any process of any court becomes enforceable against the Borrower or any property of the Borrower or any creditor takes possession of any property of the Borrower;
- (vi) any adverse change occurs in the financial condition of the Borrower or any guarantor.
- (vii) any adverse change occurs in the environmental condition of:
 - (A) the Borrower or any guarantor of the Borrower; or
 - (B) any property, equipment, or business activities of the Borrower or any guarantor of the Borrower.

7. Costs

All costs, including legal and appraisal fees incurred by the Bank relative to security and other documentation, shall be for the account of the Borrower and may be charged to the Borrower's deposit account when submitted.