



BY-LAW NO. 1113
OF THE TOWN OF HINTON

(hereinafter referred to as "the Municipality")
IN THE PROVINCE OF ALBERTA

WHEREAS pursuant to Section 264 of the *Municipal Government Act*, RSA 2000, Chapter M-26 and amendments thereto, the Council of the Town of Hinton is authorized to provide a 15-year loan to the Hinton Golfing Society.

AND WHEREAS:

- a) The Hinton Golfing Society is a non-profit organization and is registered as an Alberta Society under the Societies Act (Alberta);
- b) The Town of Hinton is the registered owner of lands legally described as PLAN 4703TR, LOT 4 where the golf course is located;
- c) The Hinton Golfing Society is approaching the Town for the consolidation of the Clubhouse construction loans and the purchase of capital equipment for a total amount of \$1,500,000.
- d) Council considers that the money obtained under the loan by the Hinton Golfing Society will be used for a purpose that will benefit the Town in the long term.

NOW, THEREFORE the municipal Council of the Town of Hinton in session duly assembled hereby enacts as follows:

1. The Town of Hinton is hereby authorized to enter into a loan agreement with the Hinton Golfing Society up to a maximum of one million five hundred thousand dollars (\$1,500,000).
2. The Loan shall comply with the following terms:
 - a) **Amount of money to be borrowed:** The Hinton Golfing Society will obtain from the town up to one million five hundred thousand dollars (\$1,500,000).
 - b) **Purpose of the loan:** The loan shall be solely for consolidating the Clubhouse construction loans and the purchase of capital equipment.
 - c) **Term of the loan:** The term of the loan shall be for a maximum of 15 years.

- d) **Terms of repayment of loan:** The Hinton Golfing Society shall pay the Town of Hinton monthly interest and principal payments as agreed upon by the Town of Hinton and the Hinton Golfing Society. The Loan is non-revolving, not re-advanceable and is payable upon demand.
- e) **Rate of interest for the loan:** The rate of interest payable for the advances of the loan will be at the 15-year rate offered by Alberta Capital Finance Authority or the rate obtained by another authorized financial institution for the debenture obtained by the Town.
- f) **Hinton Golfing Society Records:** Hinton Golfing Society will provide to the Town written monthly financial reports.
- g) **Agreement:** The Town loan is subject to maintaining the current Lease Agreement that grants the Town authorization to cancel the lease without notice to the Hinton Golfing Society in the event that the Hinton Golfing Society defaults on this loan;
- h) **Signing Authority:**
 - i) The loan and any other agreements in relation to the loan may be approved by the Chief Administration Officer.
 - ii) The Mayor and the Chief Administration Officer or their delegates are authorized to execute the loan agreement and other documents necessary to give effect to such agreements.

3. The source of the money to be used to pay the principal and interest owing under the loan if the Town is required to do so will be the Town's working capital from operations.
4. This by-law comes into effect on the date of final passing.

READ A FIRST TIME THIS 18th DAY OF APRIL 2017.

READ A SECOND TIME THIS 16th DAY OF MAY 2017.

READ A THIRD TIME THIS 16th DAY OF MAY 2017.



Mayor



Director of Corporate Services