

BYLAW 3

OF THE NORTH RED DEER REGIONAL WASTEWATER SERVICES COMMISSION hereinafter referred to as the "Commission" IN THE PROVINCE OF ALBERTA

**THIS BYLAW AUTHORIZES THE BOARD OF THE COMMISSION TO INCUR AN
INDEBTEDNESS FROM THE SERVUS CREDIT UNION, BY THE ISSUANCE OF A
REVOLVING AUTHORIZED OVERDRAFT TO FINANCE THE CONSTRUCTION OF THE
REGIONAL WASTEWATER LINE**

WHEREAS, the board of the Commission has decided to issue a bylaw pursuant to Sections 602.07 and 602.27 of the Municipal Government Act to authorize short term financing to construct a capital property.

In order to finance short term obligations, it will be necessary for the Commission to borrow up to the aggregate amount of Twenty Five million dollars (\$25,000,000.00) on the terms and conditions referred to in this Bylaw.

The Commission will repay the indebtedness by making monthly interest payments on the amount borrowed at the SERVUS CREDIT UNION not to exceed the prime lending rate + 0% as established by SERVUS CREDIT UNION from time to time. Such interest will be calculated daily and due and payable on the last day of each and every month.

THEREFORE, the Board of the North Red Deer Regional Wastewater Services Commission duly assembled enacts as follows:

1. That the North Red Deer Regional Wastewater Services Commission borrow from time to time from the SERVUS CREDIT UNION, a sum or sums not exceeding the aggregate amount of Twenty Five Million Dollars (\$25,000,000.00) which the Board deems necessary to expend to meet expenditures during construction of the Wastewater line.
2. That for the purpose of financing short term obligations, the sum of Twenty Five Million dollars (\$25,000,000.00) be borrowed from the SERVUS CREDIT UNION by way of an authorized overdraft lending and security as promised in the agreement between the SERVUS CREDIT UNION and the Commission which is to be paid with sources of money from:
 - a) Provincial Grant monies
 - b) Federal Grant monies; and/or
 - c) Requisition from Member Municipalities.
3. The authorized overdraft shall bear interest on the amount drawn, not exceeding the prime rate + 1% as set by the SERVUS CREDIT UNION from time to time and interest shall be payable on a monthly basis on the amount drawn.
4. The authorized overdraft shall be payable in lawful money of Canada at the SERVUS CREDIT UNION in the City of Lacombe.
5. The authorized overdraft shall be signed by the Chairman and the Manager of the Commission and the Manager shall affix the corporate seal of the Commission to the loan papers.

6. The indebtedness is contracted on the credit and security as outlined in the Security Documents section of the Banking Agreement.
7. The net amount realized by the issuance of the loan authorized under this bylaw shall be applied only for the purpose for which the indebtedness was created.
8. The Board of the North Red Deer Regional Wastewater Services Commission shall review the terms and conditions set out in this bylaw periodically as determined by the SERVUS CREDIT UNION.
9. That nothing herein 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 Bank.
10. In the event that the Municipal Government Act permits extension of the term of the loan and in the event the board of the Commission decides to extend the loan and SERVUS CREDIT UNION 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 SERVUS CREDIT UNION will be valid and conclusive proof as against the Corporation of the decision of the Board to extend the loan in accordance with the terms of such renewal or extension, bill, debenture, promissory note, or other obligation, and SERVUS CREDIT UNION will not be bound to inquire into the authority of such officers to execute and deliver any such renewal extension document or security.
11. Bylaw 2 is hereby repealed
12. This Bylaw comes into force on the final passing thereof.

Certificate

WE HEREBY CERTIFY that the foregoing resolution was duly passed by the Board of the North Red Deer Regional Wastewater Services Commission therein mentioned at a duly and regularly constituted meeting thereof held on the 24th of July, 2017 at which a quorum was present, as entered in the minutes of the said Commission, and that the Bylaw has come into force and is still in full force and effect.

WITNESS our hands and seal of the Commission this

READ A FIRST TIME THIS 24 day of July 2017.

READ A SECOND TIME THIS 24 day of July 2017.

PRESENTED FOR THIRD AND FINAL READING THIS 24 day of July 2017.

RECEIVED THIRD AND FINAL READING THIS 24 day of July 2017.

Original Signed

CHAIRMAN

Original Signed

CHIEF ADMINISTRATIVE OFFICER