

THE RURAL MUNICIPALITY OF MORRIS

BY-LAW NO. 1510/98

WHEREAS the Council of the Rural Municipality of Morris (herein referred to as the Corporation) deems it necessary to borrow the sum of Two Million Dollars (\$2,000,000.00) to meet the current expenditures of the Corporation for the current year 1998 until such time as the taxes levied therefore are collected;

AND WHEREAS the total amount of the taxes collected by the Corporation last year was the sum of Two Million, One Hundred and Thirty-eight Thousand (\$2,138,000.00);

AND WHEREAS the amounts heretofore borrowed and outstanding for the purpose and the amount hereby authorized to be borrowed by the Corporation do not exceed the total amount of the taxes so collected as aforesaid;

NOW THEREFORE it is hereby enacted by the Corporation of the Rural Municipality of Morris as follows:

1. That the Reeve and Municipal Administrator of the Corporation be and they are hereby authorized to borrow under the seal of the Corporation from the Bank of Montreal the sum of Two Million Dollars (\$2,000,000.00) for the purpose aforesaid and to pay or agree to pay interest thereon, either in advance or at maturity and in either case after maturity.
2. That a promissory note or notes under the seal of the Corporation and signed by the Reeve and Municipal Administrator thereof be duly executed and given to the said Bank for the amount so borrowed with interest as aforesaid.
3. That the Corporation hereby mortgages, assigns, transfers, pledges and hypothecates to the said Bank the taxes of the Corporation for the present year for municipal purposes 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 said Bank as collected in a special account as collateral security for payment of the amount so borrowed and interest, but the Bank 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 year.
6. That the Reeve and Municipal Administrator are hereby authorized to give to the said Bank in the name, on behalf of and under the seal of the Corporation as security for the moneys so borrowed and interest thereon, covenant or agreement containing a clause that all taxes levied or to be levied by the Corporation for the present year be and they are hereby pledged, hypothecated, mortgaged, transferred and assigned to the said Bank 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 said Bank to the credit of the Corporation in a special 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 Bank.

Done and passed at a duly assembled and constituted meeting of the Council of the Rural Municipality of Morris held this 28th day of January, 1998.

  
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Reeve

  
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Municipal Administrator