

THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

BY-LAW NO. 25-1791

Being a by-law to authorize annual borrowing from the Bank of Nova Scotia and to execute a Security Agreement for 2025.

WHEREAS

1. Under Section 407 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, municipalities are authorized to borrow funds to meet expenditures pending the collection of taxes and other revenues;
2. The Corporation of the Municipality of Temagami deems it necessary to borrow the sum of One Million and Fifty Thousand Dollars (\$1,050,000.00) to meet, until taxes are collected and other revenues are received, the current expenditures for the year 2025.

NOW THEREFORE

The Council of the Corporation of the Municipality of Temagami enacts as follows:

1. Authorization to Borrow

The Mayor and Clerk, along with any two authorized signing officers, are hereby authorized to borrow on behalf of the Corporation from The Bank of Nova Scotia ("the Bank"), from time to time, by way of promissory note or bankers' acceptance, a sum or sums not exceeding at any one time the lesser of One Million and Fifty Thousand Dollars (\$1,050,000.00) or the amount permitted under the current annual repayment limit in accordance with O. Reg. 403/02.

2. Execution of Notes and Agreements

Any two authorized signing officers are hereby empowered to execute, on behalf of the Corporation, promissory notes, bankers' acceptances, and agreements as required by the

Bank for the sums borrowed, including any interest or charges as determined by the Bank.

3. Security Agreement

The Corporation agrees that all revenues of the Municipality of Temagami, of whatever nature and kind, are hereby charged in favor of the Bank as security for repayment of sums borrowed under this By-law. This Security Agreement is attached as Schedule "A" and forms an integral part of this By-law.

4. Use of Revenues

The Municipality shall apply all revenues collected or received, including taxes levied for the current and preceding years, toward repayment of sums borrowed under this By-law, along with any interest and related charges.

5 Reporting Requirements

The Corporation shall, upon the Bank's request, provide a statement of estimated revenues for the current year or, if unavailable, for the preceding year, and the total of any outstanding borrowed amounts.

6. Clerical Amendments

The Clerk of the Municipality is authorized to make minor typographical or grammatical corrections to this By-law or its schedules after its passage, provided such corrections do not alter its intent or substance.

7. Effective Date

This By-law shall come into force and take effect immediately upon its final passage.

Final Passing

Taken as read a first, second, and third time, and finally passed this 9th day of January, 2025.

Mayor: _____

Clerk: _____

SCHEDULE "A" – By-Law 25-1791

SECURITY AGREEMENT

TO: The Bank of Nova Scotia ("the Bank")

WHEREAS

This Security Agreement is executed in accordance with By-law No. 25-1791, passed by the Corporation of the Municipality of Temagami on the 9th day of January, 2025, which authorizes borrowing from the Bank and provides that all revenues of the Corporation are charged as security for such borrowing.

NOW THEREFORE

1. Charge on Revenues

The Corporation agrees that all revenues, of whatever nature and kind, are charged in favor of the Bank as security for repayment of the sums borrowed, interest thereon, and any associated charges.

2. Lien on Revenues

The Bank shall hold a lien on all revenues of the Corporation until the charge created by this Agreement and By-law No. 25-1651 is fully satisfied.

3. Representation and Warranty

The Corporation warrants that its revenues are not subject to any prior charge, except as disclosed to the Bank in writing.

IN WITNESS WHEREOF

The Corporation has caused this Agreement to be executed by its proper officers as required By-law this 9th day of January, 2025.

Witness: _____

Mayor: _____

Clerk: _____