

**BY-LAW NO. 460
OF THE TOWN OF DAYSLAND
(hereinafter referred to as "the Municipality")**



IN THE PROVINCE OF ALBERTA

A BYLAW FOR THE TOWN OF DAYSLAND, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE COUNCIL OF THE TOWN OF DAYSLAND TO GUARANTEE A LOAN OF THE DAYSLAND & DISTRICT MEMORIAL ARENA ASSOCIATION (THE "ARENA ASSOCIATION")

WHEREAS, pursuant to the provisions of Section 264(2) of the Municipal Government Act, RSA 2000 Chapter M26, as amended, a municipality is permitted to guarantee the repayment of a loan between a lender and a non-profit organization if the Municipal Council considers that the money obtained under the loan that is guaranteed will be used for a purpose that will benefit the municipality

AND WHEREAS, the Arena Association is a non-profit organization

AND WHEREAS, the Council of the Town of Daysland deems it expedient and proper to authorize the guarantee of up to ONE MILLION (\$1,000,000.00) DOLLARS to the Arena Association.

AND WHEREAS the Arena Association will use the loan proceeds for the purpose of replacing the outer shell and lobby of the existing Arena;

AND WHEREAS the Council of the Town of Daysland, considers that the money guaranteed will be used for a purpose that will benefit the municipality as it is beneficial to maintain the use of the arena so the residents of the Town of Daysland, County of Flagstaff and surrounding communities have continued recreational services provided;

AND WHEREAS the guarantee of the loan will not exceed the Town of Daysland's debt limit;

NOW THEREFORE, the Council of the Town of Daysland in the Province of Alberta, duly assembled, hereby enacts as follows:

1. The Town of Daysland is hereby authorized to guarantee a loan of Arena Association of up to ONE MILLION (\$1,000,000.00) DOLLARS
2. The purpose of the loan is to replace the outside shell and lobby of the Building.

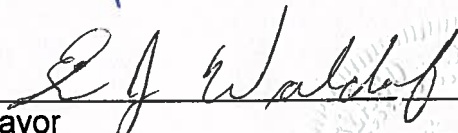
3. The rate of interest on the loan to the Arena Association shall be approximately five point Eight six (5.86%) percent, fixed for a five year term.
4. The issuance of the loan guarantee shall be provided subject to the Arena Board and the Town of Daysland executing loan guarantee documentation satisfactory to the Town of Daysland.
5. Notwithstanding any documentation prepared, the Town of Daysland, in its absolute discretion, shall not be obligated to guarantee the loan of the Arena Board in the event that the project does not proceed.
6. This Bylaw shall come into force and effect as of the third and final reading following advertising in accordance with Section 266(3) and Section 606 of the Municipal Government Act.

READ A FIRST TIME THIS 3 DAY OF April, 2007.

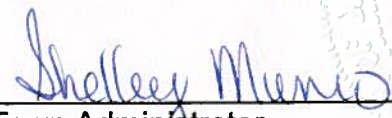
READ A SECOND TIME THIS 3 DAY OF May, 2007.

READ A THIRD AND FINAL TIME THIS 3 DAY OF May, 2007
AND FINALLY PASSED.

DONE AND PASSED in open Council assembled at Daysland, in the Province of Alberta, this 3 day of May A.D., 2007.



Mayor



Town Administrator

