

By-Law of Municipal Corporation

(MADE IN DUPLICATE)

By-Law No. 906

To authorize the borrowing of certain moneys from The Royal Bank of Canada to meet the current expenditure of the Corporation of the CITY of _____ for the year ~~1928~~ 1929

WHEREAS it is necessary to borrow the sum of TWO HUNDRED THOUSAND dollars from The Royal Bank of Canada to meet the now current expenditure of the Corporation until such time as the taxes to be levied therefor can be collected.

BE IT THEREFORE ENACTED by the Municipal Council of the Corporation of the CITY of NORTH BAY as follows:

1st. That the M A Y O R with the Treasurer of the said Corporation, be and they are hereby authorized under the seal of the Corporation to borrow from The Royal Bank of Canada the sum of \$200,000.00 dollars as the same may be required from time to time to meet the now current expenditure of the said corporation.

2nd. That the said M A Y O R with the Treasurer aforesaid, be, and they are hereby authorized to pay or allow to the said Bank interest on the said sum of \$200,000.00 dollars at the rate of SIX per cent. per annum, which may be paid or allowed in advance by way of discount or otherwise howsoever as they may deem best.

3rd. That the said sum of TWO HUNDRED THOUSAND dollars so to be borrowed shall be made payable on or before the 31st day of DECEMBER next, and the promissory note or notes of the said corporation, if any, given therefor, if made payable before the said 31st day of DECEMBER, 1929, may be renewed by the said M A Y O R and Treasurer from time to time, but no renewal thereof shall fall due later than the said 31st day of DECEMBER next.

4th. That the promissory note or notes of the said Corporation, sealed with the Corporate Seal and signed by the M A Y O R and Treasurer of the said Corporation be given from time to time as required, in security for the amounts borrowed from time to time under the provisions of this By-law.

5th. That the giving of such renewal note or notes, as aforesaid, shall not be deemed satisfaction to the said Bank of the said advance or interest, but as evidence only of indebtedness.

Passed in open Council this 14th day of January 1929



E. L. Rainey

Mayor,
(As the case may be)

Wm. Snyder

Clerk.

Agreement made the **TENTH** day of **JANUARY**

A. D. 19**29**, between the Municipal Corporation of the **C I T Y** of **NORTH BAY** hereinafter called "the Corporation," of the one part and **The Royal Bank of Canada**, hereinafter called "the Bank," of the other part.

Whereas by a by-law passed by the Council of the Corporation on the **10th** day of **JANUARY** A. D. 19**29**, and numbered **906**, authority was given under section 413 of the Consolidated Municipal Act, 1892, as amended, to borrow from the Bank the moneys therein mentioned, to meet the current expenditure of the Corporation, and by such by-law this agreement was authorized.

And whereas the Corporation desires to borrow the said moneys by way of overdraft of their current account with the Bank, and the Bank in consideration of this Agreement has consented thereto, and has established an open credit for the purpose as herein set forth.

Now it is hereby agreed that the said moneys may be borrowed by the Corporation from the Bank by way of overdraft, such overdraft to be created by the payment of cheques properly drawn on the Bank on behalf of the Corporation and the Bank agrees to pay cheques so drawn from time to time, provided that (after crediting all deposits made from time to time) the said account will not thereby be overdrawn beyond the amount authorized by the said by-law.

And whereas for the convenience of the Corporation and the profitable use of the said open credit, it has been agreed that during the currency of the said loan any sum or sums of money received by the Corporation may be deposited to the credit of the said current account, and the same in whole or part again withdrawn, **it is hereby expressly agreed** that no deposit or deposits made for the credit of the said current account shall be regarded as made in repayment of the loan authorized by the said by-law or any part thereof, or shall have the effect of repaying the same, but that the balance at any time, and from time to time, existing as an overdraft of the said current account shall constitute the loan authorized by the said by-law. **Provided however**, that should the Corporation by notice in writing apply any deposit or deposits as payment *pro tanto* of the said advance, then it or they shall be so applied, and the total amount of the overdraft at any time thereafter shall not exceed the amount authorized by the said by-law less the aggregate amount of the deposit or deposits so applied.

It is further agreed that the Bank shall not call for payment of the said moneys until the *31st day of December* next ensuing, and that the Corporation shall repay the same at that date. It is also agreed that the said advance shall bear interest at the rate of *six (6)* per cent. per annum, which shall be added at the end of each month to the amount advanced up to that time.

In witness whereof the Corporation has caused its corporate seal to be hereto affixed.

E. J. Bennett
Mayor

J. W. Smyth
Clerk