

BY-LAW 1175/09

MORINVILLE MUNICIPAL SEED CLEANING CO-OP LIMITED LOAN

STURGEON COUNTY, MORINVILLE, ALBERTA

A bylaw to authorize the Council of Sturgeon County to make a loan to the Morinville Municipal Seed Cleaning Co-op Limited, a non-profit organization, for the completion of capital upgrades.

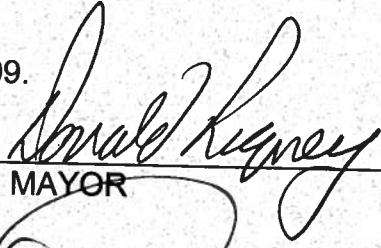
WHEREAS:

Section 265 of the Municipal Government Act, Chapter M-26, Revised Statutes of Alberta, 2000 provides that a municipal council, by bylaw may authorize the lending of money to a non-profit organization.

NOW, THEREFORE, THE COUNCIL OF STURGEON COUNTY DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. Sturgeon County, in accordance with Section 265 of the Municipal Government Act, Chapter M-26, Revised Statutes of Alberta, 2000, hereby lends to the Morinville Municipal Seed Cleaning Co-op Limited, the principal sum of \$150,000, to be re-paid in accordance with the terms and conditions generally described below:
 - a. The Morinville Municipal Seed Cleaning Co-op Limited, a non-profit organization, in the Province of Alberta proposes to undertake or has completed several capital upgrades
 - b. The Morinville Municipal Seed Cleaning Co-op Limited will repay indebtedness over a period of ten (10) years in semi-annual or annual installments, including interest at two (2) percent.
 - c. The estimated cost to complete the capital improvements at the Morinville Municipal Seed Cleaning Co-op Limited plant is \$60,000 for dust control cyclones, \$15,000 for Teflon for gravity tables, \$25,000 for south east door and \$50,000 for indent refurbishing and the total amount to be borrowed from Sturgeon County will be \$150,000.
 - d. Sturgeon County will source the money to be loaned from the County's general operating reserve.
2. The funds shall not be disbursed until the Morinville Municipal Seed Cleaning Co-op Limited's authorized officers have provided Sturgeon County with a promissory note.
3. This bylaw comes into force on the date it is passed.

READ a first time this 24th day of February 2009.



MAYOR



COUNTY COMMISSIONER

READ a second time this 14th day of April, 2009.

Rep. Ken McGees
MAYOR
[Signature]
COUNTY COMMISSIONER

READ a third time this 14th day of April, 2009.

Rep. Ken McGees
MAYOR
[Signature]
COUNTY COMMISSIONER

BYLAW 1175/09 was signed this 21 day of April, 2009.

PROMISSORY NOTE

Date: _____

\$150,000.00 ("Principal Sum") FOR VALUE RECEIVED the undersigned Borrower promises to pay to STURGEON COUNTY (the "Lender") the Principal Sum and interest thereon calculated from the date hereof as follows:

The Borrower will pay the Principal Sum plus interest thereon at the rate of two (2.0%) per cent per annum calculated monthly not in advance, by annual payments of principal and interest commencing on the 1st day of _____, 20__ and on the 1st of _____ in each consecutive year until the 1st day of _____, 20__ and the balance of the Principal Sum and interest is to be due and payable on the ____ day of _____, 20__.

If any instalment of interest is not made on its due date, the whole of the Principal Sum and accrued interest thereon shall forthwith become due and payable at the option of the Lender. The Borrower shall be entitled to prepay the whole or any part of the Principal Sum outstanding hereunder without bonus or penalty.

MORINVILLE MUNICIPAL SEED CLEANING
CO-OP LIMITED

Per: _____

Per: _____
(corporate seal)