


UCHUCKLESAHT TRIBE GOVERNMENT

CAPITAL BORROWING ACT, 2020

UTS 64/2020



This law enacted on December 17, 2020

Signed 
Charlie Cootes, Chief Councillor of the
Uchucklesaht Tribe

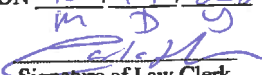
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INTRODUCTORY PROVISIONS

Short title

1.1 This Act may be cited as the Capital Borrowing Act, 2020.

Executive oversight

1.2 The treasurer of Council is responsible for the executive oversight of this Act.

Application

- 1.3 (a) This Act is enacted in accordance with
- (i) section 7.3 of the Financial Administration Act,
 - (ii) 13.11.1.d. of Chapter 13 Governance of the Maa-nulth Treaty, and
 - (iii) section 3.2(b) of the Constitution.
- (b) This Act applies to establishing, and drawing from, a credit facility for capital project expenditures by Uchucklesaht Tribe.

Definitions

1.4 In this Act,

“annual budget” has the meaning given to that phrase in the Financial Administration Act;

“loan” means the loan referred to in section 2.1(a) or section 2.1(b)(ii), as the case may be;

“loan documents” means the documents reasonably required by RBC, another bank or a credit union, as the case may be, setting out the terms and conditions of the loan and approved by the director of finance, acting reasonably;

“rate” means the annual rate of interest on the loan set out in the loan documents from time to time;

“RBC” means the Royal Bank of Canada.

PART 2 - BORROWING FOR CAPITAL PROJECTS

Capital borrowing credit facility

- 2.1 (a) Council hereby authorizes Uchucklesaht Tribe to obtain a revolving term credit facility from RBC to finance capital projects on the following terms and conditions:
- (i) the amount of the loan will be no more than \$2,800,000;
 - (ii) the interest rate for the loan will be no more than the rate posted by RBC for its general commercial lending;
 - (iii) the loan may be secured by the assets of Uchucklesaht Tribe or with a guarantee from a Uchucklesaht corporation as may be provided for in the loan documents; and
 - (iv) the loan may be subject to any other terms and conditions set out in the loan documents.
- (b) If in the opinion of the director of finance it is in the best interests of Uchucklesaht Tribe to do so, the director of finance may from time to time
- (i) approve an amendment to the loan documents that may be necessary or desirable, provided the director of finance provides a summary of the amendment to the Executive prior to approving that amendment, and
 - (ii) transfer the loan, in whole or in part, to another bank or credit union, provided the director of finance provides a summary of the details of the transfer to the Executive prior to approving that transfer and
 - (A) the new interest rate is no more than the current interest rate on the loan immediately prior to the transfer, and
 - (B) the new loan documents contain terms that are substantially the same or better than those provided for in the current loan documents immediately prior to the transfer.
- (c) For certainty, in accordance with section 8.7 of the Financial Administration Act, the loan documents must be signed by at least two members of the Executive.

Draws from the loan for capital projects

- 2.2 The chief administrative officer may, from time to time, authorize a draw of available funds from the loan to pay for capital expenditures, provided that capital expenditure has been approved in the current annual budget.

PART 3 - GENERAL PROVISIONS

Commencement

3.1 This Act comes into force on the date it is enacted.

