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## **CLERGY - CAR LOANS FUND**

Approved by Diocesan Council  
Review due

9 July 2015  
Overdue

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(to be read in conjunction with the Rules applying to *Clergy Motor Vehicle Loans Fund Statute 1973*)

### **1 ADMINISTRATION**

Loans for vehicles are administered by Anglican Community Fund Inc on behalf of the Diocese of Perth. All enquiries and applications should be directed to The Executive Officer, Anglican Community Fund Inc (ACF).

### **2 ELIGIBILITY**

Upon entry to the Diocese and the issuing of a licence by the Archbishop, all clergy in stipended ministry in Worshipping Communities and Departments funded by Diocesan Council will be entitled to a loan from the Clergy Motor Vehicle Loans Fund (the Fund) on such terms and conditions as may be set by Diocesan Council from time to time.

This Policy is extended to include all licensed and stipended lay chaplains

### **3 INITIAL AND SUBSEQUENT LOANS**

The policy in respect to initial/first loans assumes that the majority of loans will be granted to newly ordained clergy or upon initial entry to the Diocese. Second and subsequent loans may be granted should there be sufficient funds available in the Fund.

### **4 TERMS OF LOANS**

The term of any loan from the Fund shall be a maximum of five (5) years for second hand vehicles and a maximum of seven (7) years for new vehicles.

A balloon payment at the end of the term of the loan may be allowed for new vehicles only on the following basis:

- 2 years no greater than 60% of the loan
- 3 years no greater than 50% of the loan
- 4 years no greater than 40% of the loan
- 5 years no greater than 30% of the loan
- 6 years no greater than 20% of the loan
- 7 years Nil

### **5 MINIMUM DEPOSIT**

A minimum deposit to the equivalent of 15% of the purchase price of a second-hand vehicle will normally be provided by the applicant (independent of other borrowing that may occur) to assist with the cost of purchase, e.g. by way of trade-in allowance or cash deposit.

No deposit is required for the purchase of new vehicles.

## **DIOCESAN COUNCIL POLICY 10.4**



### **6 DELEGATED AUTHORITY FOR APPROVAL**

Applications for loans shall be determined by the Diocesan Secretary after consultation with the relevant Assistant Bishop.

### **7 REPAYMENTS OF LOAN ON TERMINATION OF SERVICE**

Clergy leaving the service of the Diocese shall be allowed three months in which to repay any outstanding loans to the Fund. However, after consultation with the relevant Assistant Bishop, the Diocesan Secretary has discretionary power to extend the three-month repayment limitation if considered appropriate.

### **8 LOAN LIMITS**

Under ordinary circumstances, the maximum loan amount for a new vehicle shall be 60% of the current annual stipend approved by Diocesan Council.

### **9 SECOND-HAND VEHICLES**

Loans up to a maximum of 50% of the current annual stipend approved by Diocesan Council may be made from the Fund for second-hand motor vehicles subject to a satisfactory report on such vehicles being obtained from the Royal Automobile Club of WA or the State Government Insurance Office.

### **10 APPROVALS BEFORE PURCHASE**

No loans shall be approved with respect to vehicles purchased prior to the date of the loan application.

### **11 INTEREST RATES**

Interest rates are set from time to time by ACF based on movements in the Reserve Bank cash rate. The Interest Rate for each loan will be fixed at commencement for the term of the loan.

### **12 CLERGY NOT ELIGIBLE**

A loan shall not be made to clergy who are provided with a motor vehicle by their Worshipping Community or to clergy who are provided with a motor vehicle by their respective Department.

### **13 SECURITIES FOR LOAN**

Before any approved loan is settled, the borrower shall complete a Mortgage of Motor Vehicle in favour of The Perth Diocesan Trustees in such form as the Trustees shall from time to time determine.

Clergy in receipt of a loan shall be liable for the following charges which will be included in the first deduction from their stipend following receipt of the loan:

- stamp duty applicable to the Mortgage of Motor Vehicle, and
- fee for registration of encumbered vehicle.

### **14 INSURANCES**

Any vehicle the subject of a loan from the Fund must be insured by the borrower. Such insurance shall be fully comprehensive, and the vehicle shall be insured at market value. The borrower shall submit to the Diocesan Secretary a certificate of currency on each occasion such insurance is purchased or renewed.

## **DIOCESAN COUNCIL POLICY 10.4**



### **15 STATUTORY EXEMPTIONS**

Ministers of Religion are entitled to the following concessions provided they have a current 'Marriage Celebrant Number':

- Stamp Duty exemption on new and second-hand motor vehicles
- Concessions on Driver's Licenses, and
- Motor Vehicle registration