



CLERGY CAR LOANS

Approved by Diocesan Council

8 Sep 2022

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1 Administration

- 1.1 Loans for vehicles are administered by Anglican Community Fund (ACF) Inc on behalf of the Diocese of Perth from the Clergy Motor Vehicle Loans Fund (the Fund).
- 1.2 The Diocese encourages the purchase of low or zero-emission cars (currently electric or fuel cell).

DIOCESAN COUNCIL POLICY 10.4



2 Eligibility

- 2.1 Upon entry to the Diocese and the issuing of a license 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 Fund on such terms and conditions as may be set by Diocesan Council from time to time.
- 2.2 This policy is extended to include all licensed and stipended lay chaplains.

3 Initial and Subsequent Loans

- 3.1 It is assumed that most 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 enough funds available in the Fund.

4 Terms of Loans

- 4.1 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.
- 4.2 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

- 5.1 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 borrowings 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 except if the value of the car exceeds the maximum loan amount, then a cash contribution will be required.

6 Delegated Authority for Approval

- 6.1 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

- 7.1 The Loan Agreement and Mortgage of Motor Vehicle (Loan Contract) signed with the ACF, remains in effect after termination of service with the diocese.

DIOCESAN COUNCIL POLICY 10.4



8 New Car Loan Limits

- 8.1 Under ordinary circumstances, the maximum loan amount for a new vehicle shall be 60% of the minimum stipend for internal combustion engine and hybrid cars and 65% for zero-emission cars.

9 Second-Hand Car Loan Limits

- 9.1 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

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

11 Interest Rates

- 11.1 Interest rates are set from time to time by ACF. The Interest Rate for each loan will be fixed at commencement for the term of the loan.
- 11.2 The ACF may apply a discount to the standard clergy car loan interest rate, for the purchase of a new zero-emission car.

12 Clergy Not Eligible

- 12.1 A loan shall not be made to clergy who are provided with a motor vehicle by their parish or department.

13 Securities for Loan

- 13.1 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.

14 Insurances

- 14.1 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.



15 Statutory Exemptions

- 15.1 Ministers of Religion may be entitled to stamp duty and registration concessions. Please refer to the Department of Transport, State Government of Western Australia for details of eligibility for concessions and how to apply. Website:
<https://www.transport.wa.gov.au/licensing/concessions.asp>

16 Further Information

- 16.1 To enquire or apply for a loan, please contact the Finance & Administration Manager, at the ACF by phone: 9325 4182 or Email: info@anglicanpcf.com.au.