

REVOLVING CAPITAL FUND LOAN



INTRODUCTION

The CoCWA Revolving Capital Fund is a perpetual revolving fund that provides loans, free of interest, to CoCWA Churches for building renovation or redevelopment projects.

TERMS:

- Churches may apply for an interest free loan up to a maximum amount of \$200,000.
- Loans are granted for 4 years.
- Funds will be deposited into nominated account 31 working days from approval by the COCWA Board
- Loans must be paid back in full at the end of the 4 year period.
- Alternative lending arrangements need to be in place prior to the expiration of a Revolving Capital loan to ensure that the funds are returned to COCWA on the agreed date.

APPLICATION PROCESS:

Loan applications will be considered by the COCWA Board based on submission of the following:

- Part 1 - Church Application completed and duly authorised by the Chairperson.
- Supporting documentation.
- The COCWA Board will consider Applications based on a recommendation from COCWA Staff/presented to the Board on a first come first served basis within the limits of available funds as determined by the Board from time to time.

ASSESSMENT PROCESS:

- The application will be assessed by COCWA Staff based on viability, missional strength of the proposal and on a first name basis.
- Throughout this process careful liaison will all stakeholders will be maintained as necessary to ensure that decisions are made on the best available advice. The input of external people or organizations with relevant expertise is welcomed.

GRANT:

Churches who are granted a Revolving Capital Loan will be asked to:

- Complete Part 1 - Church Application
- Complete Part 2 – Loan Agreement
- Complete Part 3 – Default Agreement
- Complete Part 4 – Letter of Agreement PPS Register (for loans over \$30,000 COCWA retains the discretionary right of lodging the loan agreement on the Personal Property Securities Register at www.ppsr.gov.au)
- Ensure that the loan is entered as a short-term liability on the Church Balance Sheet upon receipt of funds.

The completed Revolving Capital Loan Application - should be sent to:

Churches of Christ in WA PO Box 458 Dianella WA 6059

Or emailed to jo.ellery@cocwa.com.au

For questions phone **(08) 9471 8500** or email jo.ellery@cocwa.com.au

PART 1 - CHURCH APPLICATION

TO BE COMPLETED BY THE CHAIRPERSON OF THE CHURCH.



Church Name:	
Address:	
Telephone:	
Email:	

1 PURPOSE

What is the purpose for which the loan is sought?

2 EXPENDITURE

Please provide an accurate breakdown of the proposed expenditure and attach supporting evidence of cost estimates and any relevant and available plans, specifications and drawings.

3 IMPACT STATEMENT

Please provide an impact statement as to how the proposal will enhance the mission and growth of the church

4 REPAYMENT OF LOAN

How does the church propose to fund the repayment of the loan? (Please provide Profit & Loss, Balance Sheet for last four years & Church's latest budget.)

5 CHAIRPERSON OF BOARD DECLARATION AND SIGNATURE

Signature	Date:
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PART 2 - LOAN AGREEMENT

TO BE COMPLETED BY THE CHAIRPERSON OF THE CHURCH.



THIS LOAN AGREEMENT IS BETWEEN

Churches of Christ in Western Australia Inc. ("CoCWA")

and

("the Church")

The Church has been granted a Revolving Capital Loan by COCWA in the amount of \$_____. This is an interest free loan.

TERMS AND CONDITIONS:

1. The time period of the loan is four years commencing _____ and terminating on _____.
2. The Borrower agrees to pay the total amount on the final day of the loan period that is _____ [date].
3. The Borrower agrees that it must consult CCFS or an alternate Lender 3 months prior to the expiration of the COCWA loan period in order to confirm eligibility for a loan where it is unable to pay back the full amount of the Revolving Capital Loan out of its own available funds.
4. The Borrower will be considered as defaulted if the loan is not repaid at the end of the loan period with COCWA. In the event of default, the Default Agreement will be invoked.
5. The Borrower has entered into the following Agreements:
 - a) COCWA Loan Agreement.
 - b) COCWA Default Agreement
 - c) Letter of Agreement – PPS Register
6. The Borrower will ensure that the loan is entered as a short-term liability on the Church Balance Sheet upon receipt of funds into the Church bank account.

EXECUTED by the parties as an agreement.

THE COMMON SEAL of)
CHURCHES OF CHRIST IN)
WESTERN AUSTRALIA INC)
was hereto affixed by authority of the)
Board in the presence of:)

Board Member

Board Member

Print name of signatory

Print name of signatory

THE COMMON SEAL of)
_____)
was hereto affixed by authority of the)
Board in the presence of:)

Board Member

Board Member

Print name of Signatory

Print name of signatory

BETWEEN

Churches of Christ in Western Australia Inc. of 22 PLANATION Street, Menora ("CoCWA")

and

(Church Name)

(ABN)

The parties to this Default Agreement agree as follows.

In the event that CoCWA triggers a loan default on the Church the following procedure will come into place

- CoCWA will contact the Chairperson of the Board of the Church within 3 working days in order to arrange a meeting with the church Board
- CoCWA will request a set of financial reports and may seek an audited opinion, the costs of which are to be borne by the Church.
- Within 30 days of notification of default, the Church and CoCWA agree that if the Church is unable to meet its future debt obligations, without help from CoCWA, then the Church Board will appoint an Interim Committee of Management that must be chaired by a CoCWA Appointee.

AGREED BY

Full Name:		
On behalf of Church:		
Signature:	Date:	
Witness Name:		
Witness Signature:	Date:	

Full Name:		
On behalf of Church:	CHURCHES OF CHRIST IN WESTERN AUSTRALIA INC	
Signature:	Date:	
Witness Name:		
Witness Signature:	Date:	

FOR LOANS OVER \$30,000

(COCWA retains the discretionary right of lodging the loan agreement on the Personal Property Securities Register at www.ppsr.gov.au).

To be filled out by the Board Chairperson.

This AGREEMENT is made the _____ day of 20 ____

Between

Churches of Christ in Western Australia Inc. [31 572 638 871] ("CoCWA")

and

(Church Name)

(ABN)

The Church has applied for a Revolving Capital Fund Loan for a period of four years. The church agree that until the loan is fully repaid

- CoCWA will have a claim on all the assets of the Church secured on the Personal Property Security Register ("PPSR") until the full repayment of the debt by the church.
- Description of property on PPSR – All assets listed on the church's balance sheet and on their asset register.

AGREED BY

Full Name:		
On behalf of Church:		
Signature:	Date:	
Witness Name:		
Witness Signature:	Date:	

Full Name:		
On behalf of Church:	CHURCHES OF CHRIST IN WESTERN AUSTRALIA INC	
Signature:	Date:	
Witness Name:		
Witness Signature:	Date:	

COCWA OFFICE USE ONLY

Executive Minister checked.	Signed:
Approved by COCWA Board	<input type="checkbox"/> Yes <input type="checkbox"/> No
Letter of Approval Sent to Church	<input type="checkbox"/> Yes Date:
Evidence of Expenditure Received	<input type="checkbox"/> Yes Date:
Funds transferred to Church	<input type="checkbox"/> Yes Date:
Repayment Date	Date: