



The Churches of Christ Property Trust

Special Investor Interest Rate for Churches with Loans aka 'Offset account' in lieu of a loan redraw facility

This policy of The Churches of Christ Property Trust ("Trust") will be known as the, "Special investor interest rate for churches with loans (and also known as 'Offset account' in lieu of loan redraw facility)".

Special Interest Rate to be offered on investment accounts for churches with loans

At its meeting of 16 March 2017, the Trust determined that churches with loans from the Trust not be offered redraw facilities. In lieu of a redraw facility, the Trust determined that a Fresh Hope Investment Fund interest rate for investments that is 100 basis points above the standard deposit interest rate be offered.

Special Interest Rate to be 100 basis points about the standard investment rate

For example if the standard deposit interest rate is 2.6% a special investment rate of 3.6% would be offered. Similarly, if the standard deposit interest rate were to be 5.00% or 7.50% a special investment rate of 6.00% and 8.50% respectively would apply.

Special Interest Rate only to be available to churches with current Trust loans

It is noted that this policy only applies to churches which have loans from the Trust that are still current. When a Trust loan is repaid by a church, any separate special investment rate account will revert to the standard deposit interest rate.

Early repayment of Trust loans still encouraged

It is also noted that churches with loans from the Trust are encouraged to make repayments at a higher rate than is required so that loans can be discharged early, and those funds then lent to other churches.

Off-set account can be established on written application to the Trust

In the light of the above:

- a) any additional loan repayments made by a church will be treated as advance repayments but will not be available to be redrawn; and
- b) an offset account in lieu of a loan redraw facility can be established by written application to the Trust on church letterhead from at least two authorised church signatories and the payment of a minimum of \$5,000 to The Churches of Christ Property Trust to open the offset account.

Clear instructions required for funds paid to the Trust for loan or investment accounts

After the offset account is opened with a minimum amount of \$5,000 there is no minimum amount for additional funds invested in the offset account, however, funds paid to the Trust need to be accompanied by instructions clearly indicating whether they are to be paid to a loan account, an offset account or a standard investment account.

Each loan or investment account is allocated a unique account number for ease of reference.

James Cartwright
Secretary, The Churches of Christ Property Trust

24 May 2017

A quinquennial review of this policy will be due in the first quarter of 2022