

CLERGY LOAN FUND

A. Preliminary Remarks

The fund was created to provide low interest loans to clergy primarily to assist them with the financing of car purchases. It is assumed that a parish priest must generally have a car in order to carry out his or her ministry effectively and efficiently. The fund would seem to have been intended to provide assistance in cases of need, rather than to be an additional fringe benefit for all.

The minimum monthly repayment of a loan from the fund is \$125.00 per month, principal and interest.

The application and approval process is as follows: the deacon or priest submits an application to the Diocese, and is placed on a waiting list. When funds are available, the Director of Finance reviews the list and selects the next borrower. Newly ordained clergy are often given priority.

B. Policy and Guidelines

1. The maximum loan amount is \$4,000.
2. Diocesan policy on clergy loans is that the interest charged be at a floating rate of 5% less than the prime rate of the Diocesan Banker, with a minimum of 5% calculated monthly on the unpaid balance for all loans made after October 1, 1992.
3. The minimum monthly repayment is \$125.00 per month on all loans.
4. A loan is not available to anyone within four years from the date on which a previous loan commenced.
5. When funds become available for a new loan, the applicants' list be reviewed by the Director of Finance and the Bishop, who will together decide upon the applicant to receive the new loan.
6. In the event that a recipient of a loan from the fund ceases to be a stipendiary cleric within the Diocese of Rupert's Land, the balance of the loan is due and payable at the date of such event.
7. Guidelines for the administration of the fund are published and a copy sent to each eligible priest/deacon in the Diocese, and that a copy be given to each new eligible priest/deacon licensed by the Bishop.