

2.1.21

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PERSONAL LOANS

Personal Loans may be granted by the Bishop to cover emergencies or unforeseen expenses which, in the Bishop's opinion, would create an unacceptable financial hardship on the person requesting the loan. The Bishop may require the recipient of a loan to seek assistance in budgeting and financial management.

1. A Personal Loan may be granted to a full time clergy person licensed by the Bishop or to a full time member of the Diocesan Staff who has completed three years of service with the Diocese.
2. The maximum amount of the loan to be granted shall be \$3,000.00.
3. The maximum term of a loan shall be 36 months.
4. In order to be granted a loan, the clergy person or staff member shall be on a Central Payroll System of the Diocese.
5. The person requesting a loan shall complete a 'Personal Loan Contract' in the prescribed form.
6. The interest rate to be charged on the loan will be fixed at the prescribed rate set by Canada Customs and Revenue Agency (CCRA) on the day the loan is written.
7. A monthly repayment schedule will be established for the term of the loan to cover principal and interest.
8. A person may make lump sum payments of any amount at any time in addition to the regular monthly payments, without affecting the amount of the monthly payments.
9. If the person granted the loan should leave full time ministry or employment with the Diocese, the balance of the loan shall be due and payable in full, or arrangements will be made for the payment thereof as may be acceptable to the Bishop or Bishop's appointee.
10. The Personal Loan Contract Form is attached to this policy as Annex A.

**DIOCESE OF NOVA SCOTIA AND PRINCE EDWARD ISLAND
PERSONAL LOAN CONTRACT**

Memorandum of Agreement made this _____ day of _____, 20____.
I, _____, at present serving as _____, hereby
acknowledge receipt of the sum of \$_____ as a loan from the Diocesan
Synod of Nova Scotia and Prince Edward Island, and agree to repay this amount
with interest fixed at the rate of _____%, being at the prescribed rate established
by Canada Customs and Revenue Agency as of the date hereof, in monthly
installments of \$_____ blended principal and interest on the _____ day of
each month commencing _____ day of _____, 20__ until the _____ day
of _____, 20__ on which date the balance of principal and interest shall
be fully due and payable.

I understand that if, for any reason, I should discontinue my ministry or employment
with the Diocese of Nova Scotia and Prince Edward Island, the entire balance of the
loan will be payable immediately, and that this agreement constitutes a lien against
any stipend, salary or other benefit accrued on my behalf by the Synod.

WITNESS SIGNED

Date _____