

Diocesan Cash Investment Fund

Loans program Offer document

Dated: 1 April 2023

**This document has been issued by the Glebe Administration Board (ARBN 008 382 090)
as trustee of the Diocesan Cash Investment Fund (ABN 16 824 150 770).**

Contact details:

Email:	dcif@sydney.anglican.asn.au
Telephone:	(02) 9265 1555
Mail:	PO Box Q190 QVB POST OFFICE NSW 1230

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Important Notice

This offer document has not been lodged with the Australian Securities and Investments Commission and is not a prospectus, product disclosure statement or other disclosure document for the purposes of the Corporations Act 2001.

Glebe Administration Board

This offer document is issued by the Glebe Administration Board (ARBN 008 382 090) as trustee of the Diocesan Cash Investment Fund (**Fund**) in accordance with ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 (**ASIC Instrument**).

In accordance with the ASIC Instrument, the Glebe Administration Board in its capacity as trustee of the Fund (**Borrower**) has lodged an identification statement with ASIC containing the information required to be notified to ASIC as set out in ASIC Regulatory Guide 87: Charitable schemes and school enrolment deposits. This identification statement has been registered by ASIC. A copy of the identification statement can be obtained from www.sds.asn.au.

The charitable purpose of the charitable scheme is to achieve efficiencies for the Anglican Church in the Diocese of Sydney (**Diocese**) by facilitating the investment of loaned cash by associated clients. In this way the charitable scheme will perform a primary treasury function for the associated clients. The issue of the interests in the charitable scheme is the mechanism by which the loans are by made to the Borrower and will promote the charitable purpose. Lenders should be aware that due to the operation of the ASIC Instrument, the Borrower is required by law to notify lenders that the offer is not subject to the usual protections for investors under the Corporations Act or under regulations by ASIC, including the normal requirement to have a

disclosure document or product disclosure statement and be registered, or have a trust deed under the Corporations Act 2001. In addition, none of the Borrower, the Fund or the offer have been examined or approved by ASIC. The Borrower does not hold an Australian financial services licence.

The Fund is not prudentially supervised by the Australian Prudential Regulation Authority. Therefore, an investor in the Fund will not receive the benefit of the financial claims scheme or the depositor protection provisions in the *Banking Act 1959*. Investments in the Fund are intended to be a means for investors to support the charitable purposes of the Fund. ***Please note that the Borrower is required by law to notify lenders that the offer is designed only for lenders who wish to promote and whose primary purpose for making their investment is to support the charitable purposes of the Fund.***

Please note that the Borrower is required by law to notify lenders that lenders may be unable to get some or all of their money back when the lender expects or at all, and that the investment is not comparable to investments with banks, finance companies or fund managers.

Date and currency of this offer document

This offer document has been prepared by the Borrower as at the date set out on its front cover. This offer document is based upon information available to the Borrower and the facts and circumstances subsisting as at that date.

Responsibility for information

This offer document has been issued with the authority of the

Borrower. The Borrower accepts responsibility for it.

None of the Archbishop, the Synod or the Standing Committee of the Anglican Church of Australia in the Diocese of Sydney (**Diocese**) or any person, persons, corporate body or corporation holding church trust property for the Diocese or any corporate body incorporated under the *Anglican Church of Australia (Bodies Corporate) Act 1938*, will or may meet or discharge all or any part of any liability or liabilities which have been or may or will be incurred wholly or partly by or on behalf of the Borrower or for the purpose of the Fund.

Documents incorporated by reference

The following documents are incorporated in, and deemed to form part of, this offer document:

- all amendments and supplements to this offer document made from time to time; and
- all documents issued by the Borrower and stated to be incorporated in this offer document by reference.

Except as provided above, no other information is incorporated by reference into this offer document.

Any statement contained in this offer document or in any of the documents incorporated by reference in, and forming part of this offer document, shall be modified or superseded for the purpose of this offer document to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

Loans program at a glance

The following table is a brief summary only of this loans program and the loans which may be provided under it. The table should be read in conjunction with the rest of this offer document and the loan agreement terms.

Who is the Borrower:	The Borrower with respect to the loans made under this loans program is the Glebe Administration Board in its capacity as trustee of the Diocesan Cash Investment Fund (ABN 16 824 150 770).
What is the loans program:	A program under which various lenders each provide a loan to the Borrower.
Purpose of the program and who can apply:	<p>The primary purpose of the program is to promote and support the charitable purposes of the Fund. The charitable purpose of the charitable scheme is to achieve efficiencies for the Diocese by facilitating the investment of loaned cash by associated clients.</p> <p>The program is open to lenders who are diocesan organisations and other trustees of church trust property in the Anglican Church Diocese of Sydney.</p> <p>Further details about the characteristics of the program, including the risks of making loans to the Borrower under the program, are set out in this Offer Document. These include the risk that lenders may be unable to get some or all of their money back when the lender expects or at all, and that the investment is not comparable to investments with banks, finance companies or fund managers.</p> <p>The information contained in this Offer Document is of a general nature only and does not consider the lender's personal objectives, financial situation, or particular needs. Prospective lenders will need to take their specific circumstances into account before deciding whether the program is a suitable investment for them.</p>
What are the loans:	<p>Each Lender may provide a loan to the Borrower under the loans program. Funds may be provided to the Borrower from time to time under the loan and funds may be repaid to the Lender on request. The loan made by each Lender is separate from those made by any other Lender. The making of the loan to the Borrower makes the Lender an unsecured creditor of the Borrower.</p> <p>The loan provided by a Lender to the Borrower is made on the terms set out in the loan agreement contained in this offer document. There are limitations on the rights and recourse of a Lender in respect of a loan. See <i>Is there a limitation on recourse</i> set out below.</p>
Application process:	Prior to providing a loan to the Borrower under this loans program, a prospective lender must complete an application in the form set out in this offer document (or such other format as is approved by the Borrower). Each application must be duly completed and validly signed by or on behalf of the prospective lender. The Borrower may, in its discretion refuse or reject any application (wholly or in part) without giving a reason.
Can the principal amount of the loan be changed:	Yes, the principal amount of the loan can be increased by making further advances or decreased by repayment in accordance with the conditions set out in the Loan Agreement.
Loans agreement:	By completing the application, the prospective lender is making of an irrevocable offer to enter into a loan agreement with the Borrower. The Borrower's acceptance

	<p>of an application creates the loan agreement between the Borrower and the Lender. The loan agreement is a contract between the Borrower and the Lender under which a loan may be provided by that Lender to the Borrower. It is constituted by (and its terms are contained in):</p> <ul style="list-style-type: none"> • the relevant application; and • the loan agreement terms set out in this offer document.
How are funds provided under a loan:	Once a loan agreement is entered into between a Lender and a Borrower, the Lender can notify the Borrower of amounts it wishes to lend from time to time. If the Borrower agrees to borrow that amount then the Lender must provide those funds.
How will the borrowed money be used:	The Borrower will invest the money borrowed under each loan from each Lender in this loans program together in Program Assets in accordance with the Investment Policy Statement in effect from time to time.
How is interest paid on the loans:	Interest will be payable on a loan in accordance with the loan agreement based on the income received by the Borrower on the investments made under the loans. Interest will be paid quarterly in arrears by the end of the first month after the end of the calendar quarter.
When are the loans repaid:	Each loan entered under the loans program will be repaid upon request by the relevant Lender or as determined in the discretion of the Borrower, in accordance with the conditions set out in the Loan Agreement.
Is there a limitation on recourse:	<p>The recourse of Lenders to the borrower for amounts due under the loan is limited by the terms of the loan agreement. In summary, the Borrower's liability with respect to loans may be discharged from, and the recourse of the Lenders is limited to, only the amount of the Program Assets which are available to the Borrower for the repayment of the loans.</p> <p><i>There can be no assurance that sufficient funds will be realised to pay all amounts owing under the loan. However, payment to a Lender of what is available to be paid to them will discharge in full the obligations of the Borrower under the relevant loan.</i></p>
Can the loans be transferred:	The loans entered under this loans program cannot be transferred.
No cooling-off period:	There is no cooling-off period in respect of a loan provided under the loans program.
Will there be any transaction account services:	The Borrower will not provide any cheque books, BPAY or internet banking facilities or any other transaction account service. The only service provided by the Borrower under the loans program is repayment of the money which has been lent to it, and payment of interest on the loans, in accordance with the loan agreement.
Risks	<i>A loan provided to the Borrower involves certain risks which should be carefully considered by prospective lenders. Lenders should ensure that they understand the terms and conditions of the relevant loan and the risks of lending, and have sufficient financial resources to bear those risks. This summary sets out below some risks which a potential lender should consider. However, this is not a</i>

comprehensive summary of all risks associated with a loan provided under this loans program and the Borrower does not give any assurance or guarantee as to the expected performance or value from time to time of any loan on the investments in the Program Assets.

- **Payments under the loan are linked to Program Assets.** The Borrower will invest the amounts borrowed under this loans program in Program Assets. The loan agreement links the payment of interest on a loan, and the repayment of principal on a loan, to the performance of the Program Assets. For example, if payments under Program Assets are not made when due, the Borrower may have insufficient funds to discharge in full its obligations in respect of the loans outstanding under this loans program. Despite this linkage, the provision of a loan is not the same as an investment in the Program Assets. The provision of a loan does not grant a Lender ownership of, or an interest in, the Program Assets.
- **Lenders may lose part, or all of the principal amount lent.** Lenders should be aware that there is no guarantee or assurance that the amount that they receive when the Borrower repays the loans will equal the amount of the original principal amount lent, and the amount received may be zero. The Borrower does not stand in any way behind the capital value and/or performance of the loan or the Program Assets.
- **The Fund is not prudentially supervised by the Australian Prudential Regulation Authority.** Therefore, an investor in the Fund will not receive the benefit of the financial claims scheme or the depositor protection provisions in the Banking Act 1959. Investments in the Fund are intended to be a means for investors to support the charitable purposes of the Fund. The Borrower is not an authorised deposit-taking institution under the Banking Act 1959 (Cth) nor is it authorised to carry on banking business or subject to prudential supervision by the Australian Prudential Regulation Authority. Lenders to the Fund do not obtain the benefit of the depositor protection provisions in the Banking Act.
- The Borrower is required by law to notify lenders that the offer is designed only for lenders who wish to promote and whose primary purpose for making their investment is to support the charitable purposes of the Fund.
- The Borrower is required by law to notify lenders that lenders may be unable to get some or all of their money back when the lender expects or at all, and that the investment is not comparable to investments with banks, finance companies or fund managers.
- The lender is aware and accepts the risk of a sustained low interest rate environment and policy settings by the RBA which means it will be increasingly difficult to achieve returns at the official cash rate.

Loan agreement terms

*These are the terms of the loan agreement formed between the Borrower and a Lender under the loans program described in this offer document (referred to in these terms as the **Loan Program**). A loan agreement is formed if the Borrower accepts that Lender's application and the Lender's application also forms part of that loan agreement. The loan provided by the Lender to the Borrower is governed by the loan agreement.*

1 Making of Loan

If the Lender wishes to lend money to the Borrower, then the Lender must notify the Borrower, either in writing or by electronic means, of the principal amount which the Lender wants to lend. If the Borrower notifies the Lender that it agrees to borrow that amount then, the Lender is to lend that amount to the Borrower on that date (unless the Lender and the Borrower otherwise agree). Such notification is taken to have been provided upon the acceptance of an amount by the Borrower.

Each such borrowing forms part of the **Loan** which the Lender has made to the Borrower. The principal amount of the borrowing is added to the principal amount (if any) which is then outstanding from any previous borrowings from the Lender to form an aggregate principal amount outstanding to the Lender by the Borrower for the Loan.

A Lender may only notify the Borrower that it wishes to make a loan on a day on which commercial banks are open in Sydney, not including Saturdays, Sundays or public holidays (referred to as **Business Days**).

2 Program Assets and Loan's Proportion

The Borrower agrees to use each amount which it borrows under the Loan, and each amount which it borrows from another lender under the **Loan Program**, to invest in cash or cash-like investments in which the Borrower chooses from time to time, in its sole discretion. These investments for the Loans Program are referred to as **Program Assets**. The Lender is an unsecured creditor of the Borrower and does not have any interest in any of the Program Assets.

The **Loan's Proportion** of the Program Assets is the proportion of the Program Assets (by current value) equal to the proportion which the outstanding principal amount of the Loan bears to the aggregate current principal amount of all loans (to all lenders) outstanding under the Loan Program.

3 Payment of Interest

The Borrower agrees to pay the Lender interest on the Loan at the end of each calendar quarter.

The interest payable on the Loan for a calendar quarter is to be paid by the Borrower by the end of the first month following the end of that calendar quarter (or as otherwise agreed between the Borrower and the Lender).

The amount of interest payable on the Loan for a calendar quarter is that Loan's Proportion of the income actually received by the Borrower relating to that calendar quarter from the Program Assets less –

- (a) the Borrower's administration fees, investment management fees, investment accounting fees, audit and insurance fees and a fee for unallocated expenses, and
- (b) any amount applied from the remaining balance of the income for the purposes of the Diocese in accordance with the *Diocesan Cash Investment Fund Ordinance 2016*.

The fees payable by a lender and costs deducted from the Program Assets are determined on a cost recover basis.

Any amount for the purposes of the Diocese is applied by the Borrower on the recommendation of the Standing Committee of the Synod of the Diocese.

4 Repayment of Loan

The Lender may request that the Borrower repays, or the Borrower may determine in its sole discretion to repay, all, or any part, of the principal amount of the Loan on any Business Day.

If such repayment is of all of the outstanding principal amount of the Loan then the Borrower agrees to realise the Loan's Proportion of Program Assets. If the amount which is to be repaid is part, but not all, of the outstanding principal amount of the Loan then the Loan's Proportion for this purpose is calculated using the amount to be repaid instead of all of the principal amount outstanding under the Loan.

This realisation of Program Assets is to take place in such timing as the Borrower determines in its sole discretion. Without limitation:

- (a) the Borrower may wait up to 10 Business Days before realising the Program Assets (and longer, if there are difficulties in realising the Program Assets); and
- (b) the Borrower does not have to realise more than \$4 million (or such greater amount as is set out in the Investment Policy Statement in force at the relevant time) of Program Assets on any day in respect to requests from all lenders under the Loan Program.

On a Business Day that is as soon as is reasonably practicable after this realisation of Program Assets in respect of the Loan the Borrower is to pay to the Lender the *lesser* of:

- (i) the proceeds which the Borrower actually has received from that realisation of part of the Program Assets; and
- (ii) the principal amount which was requested for repayment plus the Borrower's determination of the interest which would have accrued during the current calendar quarter to that time in respect of that amount of principal.

Payment of this amount completely discharges the Borrower's obligation to repay, and to pay interest on, the principal amount of the Loan which has been requested or determined to be repaid. On such payment the principal amount outstanding of the Loan is reduced by the principal amount requested for repayment, even if the amount paid was less than the amount requested. The Lender has no recourse to the Borrower or any other person for any shortfall.

5 General

5.1 The Borrower may utilise the services of a third party service provider to facilitate the provision of certain management, administrative, accounting and related services under the Loans Program. The Borrower agrees to use reasonable care in the selection of a third party service provider for this purpose.

5.2 The Borrower may give the Lender a certificate about an amount payable or other matter in connection with the Loan, this agreement or the Loans Program. The certificate is sufficient evidence of the amount or matter, unless it is proved to be incorrect.

5.3 A provision of this agreement, or right created under it, may not be varied or waived except in writing signed by or on behalf of the party or parties to be bound.

5.4 Unless expressly stated otherwise in this agreement, notices, certificates, consents, approvals, waivers or other communications in connection with this agreement must be:

- (a) in writing;
- (b) signed by the sender (if an individual) or an authorised officer of the sender;
- (c) marked for the attention of the person identified in this offer document or, if the recipient has notified otherwise, then marked for attention in the way last notified; and
- (d) delivered to the office of the party at the address stated or any other address in Australia as one party notifies to the other for the purpose of this clause.

5.5 Notwithstanding anything contained herein to the contrary, each of the parties acknowledges and agrees that the Borrower is not liable to any other party for any amount whatsoever (whether by virtue of any express or implied obligation) beyond such amount (if any) as the Borrower may be able to pay to that party in the event of the Fund constituted under the *Diocesan Cash Investment Fund Ordinance 2016* being wound up.

5.6 This agreement is governed by the law in force in New South Wales, Australia. The Borrower and the Lender submit to the non-exclusive jurisdiction of the courts of New South Wales and courts of appeal from them.

5.7 In this agreement:

- (a) a reference to a document or an agreement (including this agreement) includes the document or agreement as varied, novated, supplemented, extended, replaced or restated;

- (b) a reference to the word “law” includes common law, principles of equity and legislation (including regulations);
- (c) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them; and
- (d) headings are for convenience only and do not affect the interpretation of this agreement.

Application

Application – Loans agreement

By completing, executing and delivering this application, the Lender is making an irrevocable offer to enter into a loan agreement with the Glebe Administration Board as trustee of the Diocesan Cash Investment Fund (Borrower). The loan agreement is constituted by the application and the loan agreement terms set out in the offer document for the Loans Program. The Borrower may, in its discretion refuse or reject any application (wholly or in part) without giving a reason. The loan agreement between the Borrower and the Lender is formed when the Borrower accepts the Lender's application (whether or not acceptance has been communicated to the applicant).

Terms defined in the offer document (including on the loan agreement terms) have the same meaning when used in the application.

Please use blue or black pen and write in BLOCK Letters

Office use ONLY

Account Number _____

You must read the offer document in full before signing this application. In making an application, you are agreeing to be bound by the terms of the loan agreement terms and the other parts of the offer document.

1. Name of Lender

Name of Lender

ABN (if applicable)

Primary contact name for Lender

Business telephone

Email address

Business address (must be your physical address – PO or GPO boxes are not permitted)

State

Postcode

Postal address (PO or GPO boxes will not be accepted if a physical business address has not been supplied)

State

Postcode

[insert signature blocks]