PART I - POLICIES AND PROCEDURES

1. The Revolving Loan Fund information and application can be obtained by visiting the Episcopal Church in Connecticut (“ECCT”) website https://www.episcopalct.org/. Click ‘Resources’ and the Administration folder in the File Repository and “Revolving Loan Fund Guidelines and Application.” If you have problems accessing this information, contact Karolyn Nicolaides at knicolaides@episcopalct.org or call (203) 639-3501, Ext. 134.

2. Completed loan applications can be emailed, faxed ((203) 235-1008 attention - Karolyn Nicolaides) or dropped off at 290 Pratt Street, Meriden CT (3rd floor). Loan notes must be signed by the Wardens and Treasurer prior to issuance of the loan proceeds.

3. The ECCT Finance Committee will base its funding recommendation concerning the loan application based on its compliance with Revolving Loan Fund policies and the soundness of the parish’s proposed repayment plan.

4. If ECCT’s Finance Committee recommends approval of the loan request, it will be put on the agenda of the next quarterly Mission Council meeting for its consideration. Parishes will be informed of Mission Council funding decisions promptly following this meeting.

5. Under the authority granted by the Mission Council (formerly known as the Executive Council) in June 1974, the Bishops office or Ecclesiastical Authority may make emergency loans to parishes not exceeding $10,000.

PART II - GUIDELINES

1. Loans are not granted to a parish for a period exceeding ten years, or for more than 80% of the cost of the proposed project.

2. Loans will only be granted to parishes in “Good Standing,” which is to say:
   - In compliance with canonical obligations concerning payment of Common Mission Support, insurance coverages, pensions, clergy compensation and lay employee benefit payments
   - Up-to-date with submission of canonically mandated audits/financial reviews and Parochial Reports
   - Compliant with canonically specified investment management policies.
3. Loans will **NOT** be granted for the purposes listed below:
   - To support parish operations, salaries/benefits or normal maintenance
   - To purchase stained glass windows, or other similarly decorative items
   - To purchase, repair or maintain any facility for which the parish receives rental income/space usage fees from ‘for profit’ organizations.
   - To fund ministry programs
   - Loans in excess of $100,000
   - To purchase a motor vehicle
   - To make Loans to individuals
   - To acquire real-estate or other property for investment purposes
   - To purchase pipe organs or other musical instruments
   - To **repair** organs or stained glass windows for projects that exceed $60,000

4. Parishes requesting loans are expected to address the issues of barrier-free accessibility in conjunction with renovation, repair and/or new construction projects and will document their plans for compliance in the application process.

5. Any parishes with a loan in default over 180 days may be required to repay the outstanding balance of their loan in full within a 180 day period and may be subject to the provisions of ECCT Canon I.11.C.

6. All loans shall bear interest rates set by ECCT’s Finance Committee, reflecting economic conditions at the time the completed loan application has been received. The interest rate as of 11/19/2018 is 3.5%.

7. Repayment schedules will be based on a 10 year amortization schedule with equal monthly repayments. Loan amortization schedules will be re-established and recalculated in January for parishes that have exceeded required payments on the prior year by more than $10,000.

8. An **additional** interest rate will be applied to loan payments 30 days past due, based on an amount determined by ECCT’s Finance Committee and documented on the original loan note. The additional interest rate on past due loans is 1.5% per month as of 11/19/2018.