

## **POLICY ON GUARANTEE FOR LOANS**

### **The following principles should be noted:**

1. The Executive Council, strictly speaking, is a Trustee for all the CICC branches and individual members and holds all funds in trust for them. In other words the money does not belong to the Executive Council.
2. By guaranteeing any loan, the Executive Council becomes the principal debtor in the event that the borrower defaults and the liability will extend beyond the loan principal to include interest and penalty interest.

### **The following is the suggested policy:**

The Executive Council will not guarantee any loan or financial accommodation by any Ekalesia or branch of the CICC or any individual person whatsoever.

### **Explanation:**

- (a) This will include officials of the CICC, Executive Council, and any Orometua for any purpose whatsoever including the following purposes.
  - funding to cover the cost of any tere party
  - funding for any building project
  - funding for the purpose of acquiring any vehicle, equipments, or chattels.
  - costs and expenses for any church activities including rallies, conventions, or conferences.
- (b) This does not preclude the Executive Council from guaranteeing any loans of its own for the purposes of the Executive Council including the General Assembly.

*Discussed and approved by the CICC Executive Council, November 2007*