

UNITING CHURCH SA INVESTMENT FUND LTD

CHARITABLE INVESTMENT FUNDRAISER IDENTIFICATION STATEMENT

(for the purposes of section 5(3) of the ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813)

1. In this Identification Statement the terms 'retail client', 'retail, associated client', 'retail, non-associated client' and 'short-term investment product' have the meanings set forth in section 4 of ASIC Instrument 2016/813.

Identification Information

2. Uniting Church SA Investment Fund Ltd ACN 620 095 472 of Level 2, 212 Pirie Street Adelaide SA 5000 ('the Fund') is a public company limited by guarantee registered under the Corporations Act 2001.
3. The ABN of the Fund is ABN 46 620 095 472.

Exemption relied on

4. The Fund intends to rely on the exemption provided under section 5(1)(b) of ASIC Instrument 2016/813 to enable it to offer to issue debentures without having to comply with Parts 6D.2 and 6D.3 of the Corporations Act 2001.
5. The Fund will issue debentures. It will not issue interests in managed investment schemes.

Financial Year

6. The financial year of the Fund is from 1st January to 31st December.

Australian financial services licence

7. The Fund is required to hold an Australian financial services licence, and it holds Australian financial services licence number 501022 which was issued on 24 January 2018.

Charitable purpose

8. The charitable purpose of the Fund is to advance religion by supporting the mission of, and enlarging and extending the work of, the Uniting Church in Australia ('the Uniting Church').
9. The Uniting Church acknowledges that the faith and unity of the Holy Catholic and Apostolic Church are built upon the one Lord Jesus Christ. The Uniting Church preaches Christ the risen crucified One and confesses him as Lord to the glory of God the Father. In Jesus Christ God was reconciling the world to himself. In love for the world, God gave his Son to take away the world's sin.
10. The Word of God on whom man's salvation depends is to be heard and known from Scripture appropriated in the worshipping and witnessing life of the Uniting Church. The Uniting Church lays upon her members the serious duty of reading the Scriptures, commits her ministers to preach from these and to administer the sacraments of Baptism and the Lord's Supper as effective signs of the Gospel set forth in the Scriptures.
11. The issue of debentures by the Fund will promote the charitable purpose of the Fund as follows:

- 11.1 Investors from the Uniting Church community will invest in debentures issued by the Fund on agreed terms. An investor will receive interest on the investment principal plus the promise of the return of the investment principal at an agreed time.
- 11.2 The funds raised by the Fund through the issue of debentures will be invested in a floating debenture with The Uniting Church in Australia Property Trust (S.A.) ABN 25 068 897 781 ('the Property Trust'), which is a corporation constituted by The Uniting Church in Australia Act 1977 (SA) and the legal entity of the Uniting Church in South Australia. Under the terms of that debenture the Property Trust will pay the Fund interest which is sufficient to cover:
- (a) the operating expenses of the Fund; and
 - (b) interest which the Fund pays to investors on debentures plus a margin,
- and to maintain a prudent surplus/reserve.
- 11.3 In accordance with the objects of the Fund, net income generated by it, after payment of operating expenses, payment of interest to investors, and retention of a prudent reserve, will be distributed to the Uniting Church in South Australia to support its mission and to enable it to enlarge and extend its work.

Key Terms

12. The key terms of debenture products to be issued by the Fund are as follows:

12.1 31 Day Notice Account

- No minimum balance will be required.
- No fixed term, but at least 31 days' notice will be required to withdraw funds in full or in part.
- Interest will be paid to clients at published rates which will be determined, and may be varied, by the Fund.
- Some transaction and service fees will be payable (see Fee Schedule published on the UC Invest website - www.ucinvest.com.au) which will be determined, and may be varied, by the Fund).

12.2 Fixed Term Investment

- A \$1,000 minimum investment will be required.
- Funds will be invested for fixed terms of 3 months to 3 years.
- Interest will be paid to clients. The interest rate paid will be fixed for the term of an investment at the published rate applying at the time the investment is made.
- Some transaction and service fees will be payable, and an early redemption fee may be payable if funds are withdrawn (on grounds, which the Fund is satisfied of, that they are needed to alleviate financial hardship) before the end of the term (see Fee Schedule published on the UC Invest website - www.ucinvest.com.au). Fees will be determined, and may be varied, by the Fund.

12.3 Funeral Fund

- The minimum permitted investment will be \$100.00.
- The maximum permitted investment will be an amount determined by the Federal Government from time to time.
- Interest will be paid to clients at published rates which may be determined, and may be varied, by the Fund.
- Some transaction and service fees will be payable (see Fee Schedule published on the UC Invest website - www.ucinvest.com.au) which will be determined, and may be varied, by the Fund.

- Funds may only be withdrawn to pay for funeral expenses or to be paid to the account holder's estate. At least 31 days' notice of withdrawal will be required.

12.4 Money Manager Account

- This product will only be available to clients who are not retail clients.
- No minimum balance will be required.
- Funds will be available to be withdrawn at call.
- Interest will be paid to clients at published rates which will be determined, and may be varied, by the Fund.
- Some transaction and service fees will be payable (see Fee Schedule published on the UC Invest website - www.ucinvest.com.au) which will be determined, and may be varied, by the Fund).

12.5 eSaver Online Account

- This product will only be available to clients who are not retail clients.
- No minimum balance will be required.
- Funds will be available to be withdrawn at call.
- Interest will be paid to clients at published rates which will be determined, and may be varied, by the Fund.
- Some transaction and service fees will be payable (see Fee Schedule published on the UC Invest website - www.ucinvest.com.au) which will be determined, and may be varied, by the Fund).

13. Interest rates applicable to the Fund's debenture products will be determined by the Fund on the advice of the Manager Investment Services, Uniting Church SA acting under delegation from the Fund's Committee, in accordance with the Fund's Interest Risk Policy. Interest rates paid by the Fund to debenture holders will be determined having regard to income received from the Property Trust and the operational costs of the Fund, to ensure that there is an adequate margin, and so as to ensure that capital adequacy and prudential policy requirements of the Fund are responsibly met while having regard to interest rates paid by authorised deposit-taking institutions in the market.
14. Transaction and service fees will be determined by the Fund having regard to the actual or estimated cost of undertaking or providing particular transactions or services, on what is essentially a 'cost recovery only' basis.

Investors

15. Debentures will be offered to the people and organisations which form the Uniting Church community by promotion via Uniting Church organisations and the UC Invest website. Included in this community are Church entities, which are affiliates and associates as defined within the Australian Prudential Regulation Authority (APRA) Banking exemption No. 1 of 2017, and ASIC Instrument 2016/813.
16. However, the following debenture products will only be offered to investors who are not retail clients: Money Manager Accounts and eSaver Online Accounts.
17. The Fund intends to treat retail, associated clients as if they are retail, non-associated clients – that is, to treat them all as retail clients.

Audited Financial Statements

18. The Fund will be required to lodge audited financial statements with the Australian Charities and Not-for-Profits Commission.

19. Audited financial statements prepared for the Fund will be published on the UC Invest website.

Guarantees or Obligations

20. No person other than the Fund will provide a guarantee for the benefit of, or owe an obligation to, holders of debentures.

Asset Types

21. The funds raised by the Fund through the issue of debentures will be invested in a floating debenture with the Property Trust.
22. The Property Trust will invest funds which are invested with it by the Fund in a range of assets which produce income. The Property Trust holds assets in the form of:
- Loans to finance Church projects;
 - Loans to associates and affiliates of the Church;
 - Real property (included congregation buildings and land);
 - Commercial property trusts units;
 - Listed Australian equities;
 - Listed Exchange Traded products;
 - Corporate notes;
 - Residential Mortgage Backed Securities;
 - Cash Management Funds;
 - Term Deposits;
 - Bank accounts;
 - Other investment products.
23. None of the assets of the Fund or the Property Trust are held outside Australia.

Registration with a Sponsor

24. This Identification Statement is not to be accepted by a sponsor.

How the Fund will meet the conditions for the exemption

25. The Fund will meet, or may be expected to meet, the conditions for the exemption for the following reasons:
- 25.1 It is a 'charitable investment fundraiser' as that term is defined in ASIC Instrument 2016/813.
- 25.2 It proposes to have ASIC accept this identification statement under section 5(3)(a) of ASIC Instrument 2016/813.
- 25.3 It will comply with the breach reporting requirement provided for in section 5(3)(b) of ASIC Instrument 2016/813.
- 25.4 It will make the accepted identification statement readily publicly available on its website for 5 years after the last time when it relies or purports to rely on the acceptance of the identification statement.
- 25.5 It will take all reasonable steps to ensure that the information in the identification statement is up to date, complete and not misleading at all times.

- 25.6 No person will hold a short-term investment product (as defined in ASIC Instrument 2016/813), issued by the Fund, as a retail, non-associated client.
- 25.7 All debentures issued by the Fund will be held on terms that they may only be repaid or redeemed in the circumstances described in paragraphs (6)(a) to (c) of section 7 of ASIC Instrument 2016/813.
- 25.8 The Fund will only repay or redeem a debenture in accordance with paragraphs (6)(a) to (c) of section 7 of ASIC Instrument 2016/813.
- 25.9 All debentures issued by the Fund will be held on terms such that the entitlement of a person as a retail, non-associated client to be paid or repaid an amount in relation to a debenture may only be discharged by:
- (a) a transfer to an account of the person with an Australian ADI; or
 - (b) a cheque payable only to the person.
- 25.10 The Fund will not refer to any debenture issued in reliance on the exemption as being 'at-call' or on 'deposit' or any other word or expression that is of like import to those terms.
- 25.11 The Fund will ensure that it does not cause, authorise or permit the issue of any promotional material or offer document that states or implies that any of the following has been approved or examined by ASIC:
- (a) the Fund;
 - (b) the debentures issued by the Fund;
 - (c) any promotional material or offer document.
- 25.12 The Fund will comply with the exemption condition set forth in paragraph (11) of section 7 of ASIC Instrument 2016/813 by ensuring that before it issues a debenture to a retail client, or accepts an additional investment from the holder of a debenture that was offered or issued in reliance on an exemption in section 5 of ASIC Instrument 2016/813 or corresponding relief, it has disclosed in writing to the person that is to hold the debenture the matters set forth in paragraphs (11)(c) to (f) of section 7 of ASIC Instrument 2016/813.
- 25.13 The Fund will comply with the exemption condition set forth in paragraph (12) of section 7 of ASIC Instrument 2016/813 by ensuring that each offer document and all promotional material that it provides, or causes, authorises or permits to be provided, to a person as a retail client in connection with the issue of a debenture, or the acceptance of an additional investment from the holder of a debenture that was offered or issued in reliance on an exemption in section 5 of ASIC Instrument 2016/813 or corresponding relief, contains a prominent statement that the Fund is required by law to notify investors that:
- (a) the investment is only intended to attract investors whose primary purpose for making their investment is to support the charitable purpose of the Fund;
 - (b) investors may be unable to get some or all of their money back when the investor expects or at all; and

(c) the investment is not comparable to investments with banks, finance companies or fund managers.

26. The Fund will not issue a debenture to a retail, non-associated client, or accept an additional investment from a person as a retail, non-associated client who is the holder of a debenture that was offered or issued in reliance on an exemption in section 5 of ASIC Instrument 2016/813 or corresponding relief, unless the person has signed and provided a statement (separate to any other statement provided, or agreement entered into, by the person) to the Fund stating that the person understands the disclosures made by the Fund in compliance with paragraphs (11) and (12) of section 7 of ASIC Instrument 2016/813.
27. The Fund will, within 6 months after the end of a financial year in which it has issued debentures in reliance on an exemption in section 5 of ASIC Instrument 2016/813, prepare financial statements for the financial year which comply with the requirements of paragraph (16) of section 7 of ASIC Instrument 2016/813.
28. The Fund will comply with the requirements of paragraph (17) of section 7 of ASIC Instrument 2016/813 in relation to its financial statements.
29. The Fund has created a governance structure to ensure it complies with all laws that apply to it and its activities and with the conditions of the exemption.
30. The Fund will also comply with the conditions of exemption provided for in Australian Prudential Regulation Authority (APRA) Banking exemption No. 1 of 2017.

Consent to examination

31. The Fund consents to ASIC allowing any person to examine its application for relief and acceptance of this Identification Statement.

Dated: 24th January 2018

Executed by Uniting Church SA Investment Fund Ltd in accordance with section 127(1) of the Corporations Act 2001:

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Director

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Name

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Director/Company Secretary

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Name