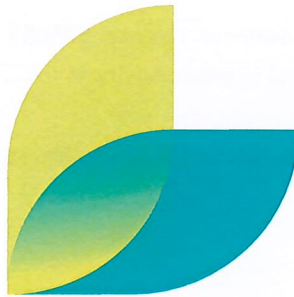


**Baptist Education Fund Limited**  
**ABN 42640062764**

**AFSL 525051**



**bef**

**BAPTIST  
EDUCATION  
FUND**

**ASIC RG 87**

Identification Statement version 1.1

**Issue Date: 21/03/22**

**[www.bef.org.au](http://www.bef.org.au)**

### ***Identity of Baptist Education Fund Ltd***

1. Baptist Education Fund Ltd ["BEF"], ABN 42640062764, ACN 640062764, is a registered public company limited by guarantee. As such, it is a corporation under the *Corporations Act 2001* (Cth).
- 1.1 BEF is registered as a charity with the Australian Charities and Not-for-Profits Commission, (ACNC).
- 1.2 BEF does not have a sponsor.

### ***AFS Licence***

- 1.3 BEF holds an Australian Financial Services Licence 525051 which was granted 1 July 2021, and authorises BEF to carry on a financial services business to:

(a) provide general financial product advice for the following classes of financial products:

(i) securities; and

(b) deal in a financial product by:

(i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:

(A) securities; and

(ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:

(A) securities;

to retail and wholesale clients.

### ***Address***

- 1.4 BEF is operated from its registered office at 18/7 Aberdeen Street, Perth, 6000, WA.

### ***Compliance exemptions***

- 1.5 BEF is relying on a continuation of relief from the licensing and fundraising provisions of the *Corporations Act 2001* (Cth) pursuant to ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 and Regulatory Guide 87.
- 1.6 With respect to the issuance of debentures, BEF relies upon the exemption in section 5(1)(b) of ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 (the Instrument).

### ***How BEF meets the conditions of the exemption***

- 1.7 BEF has appointed an external compliance manager to work with BEF's Compliance Committee, to fulfil

compliance requirements as per s911A(2)(l) of the Corporations Act 2001 (Cth) and ASIC Corporations (Charitable Investment Fundraising) Instrument 2016/813 by ensuring:

- A. A current Identification Statement (reflecting the requirements of ASIC RG 87.49) is lodged with ASIC at all times, in respect of all relevant products, and is available to the public via our website
- B. All relevant offer documents are reviewed and signed off by BEF's external legal advisor to ensure these offer documents detail (as applicable):
  - a. the identity of the charitable body
  - b. the terms and conditions of the offer
  - c. the material benefits obtained by the charitable body or its associates in connection with the offer
  - d. a statement advising investors that BEF is required by law to advise them:
    - i. that the product is not subject to the normal Corporations Act requirements in respect of documentation and registration with ASIC
    - ii. that the product has not been examined or approved by ASIC
    - iii. how the investment monies will be used to promote the charitable purposes of BEF
    - iv. that the investment is only intended to attract investors whose primary purpose for making the investment is to support the charitable purposes of BEF and for whom considerations of profit are not of primary relevance in the investment decision
    - v. that investors may be unable to get some or all of their money back when they expect to, or at all; and
    - vi. that the investment is not comparable to investments with banks, finance companies or fund managers.
- C. Investor Acknowledgements will be obtained from all retail non-associated clients which confirm they have read, understood and accepted BEF's product offering and the terms and conditions applicable to our products.
- D. A separate Investor Acknowledgement will be obtained from all retail non-associated clients which contain disclosures explaining that BEF is required by law to advise them:
  - a. that the product is not subject to the normal Corporations Act requirements in respect of documentation and registration with ASIC
  - b. that the product has not been examined or approved by ASIC
  - c. how the investment monies will be used to promote the charitable purposes of BEF
  - d. that the investment is only intended to attract investors whose primary purpose for making the investment is to support the charitable purposes of BEF and for whom considerations of profit are not of primary relevance in the investment decision
  - e. that investors may be unable to get some or all of their money back when they expect to, or at all; and
  - f. that the investment is not comparable to investments with banks, finance companies or fund managers.
- E. Promotional material and offer documentation is reviewed and signed off by an external legal adviser to ensure it meets applicable requirements, and does not state or infer that ASIC has approved or examined such material;

- F. BEF will ensure that no retail non-associated client will hold a debenture product with a term under 31 days;
- G. All debentures issued by BEF include terms that they may only be repaid or redeemed:
  - a. on winding up;
  - b. if BEF has reasonable grounds to believe all holders of debentures or interests will be repaid on that day and at all future times in accordance with their entitlements:
    - i. if all repayments and redemptions that it may be required to pay on the relevant day were made; and
    - ii. if all repayments and redemptions that may reasonably be expected to be due on each future day were made on that future day; and
  - c. if the debenture or interest is held by an individual and BEF is satisfied the repayment would alleviate financial hardship that the holder is suffering or would suffer.
- H. Any false or misleading material statements relating to this Identification Statement shall be rectified as soon as practicable, via the issue of a supplementary or replacement Identification Statement;
- I. Audited financial statements, which comply with accounting standards, and a registered auditor's report, shall be obtained annually, within 6 months of the end of BEF's financial year, and lodged with ASIC and ACNC within six months after the end of each financial year. Such statements/ report shall be made available to the public via our website for a minimum period of 3 years from date of issue; and
- J. BEF will notify ASIC as soon as it becomes aware of any matter which gives BEF reason to believe it has failed or is likely to fail to comply with any application exemption condition. Notification will occur within 15 business days as per the requirement in RG 87.74.

#### ***Charitable Purpose***

- 1.8 BEF was established to promote the Christian faith and education through supporting the development of Baptist Education Organisations and other Christian Education Organisations in Australia.

#### ***Financial Year***

- 1.9 BEF has a financial year of 1 January to 31 December.

#### ***Investors***

- 1.10 Debenture products are offered to (i) retail, non-associated clients (ii) retail associated clients, and (iii) wholesale clients who are either associated or non-associated with BEF. All products offered to non-associated retail clients have a minimum 31 day term and require a minimum of 31 days notice for early withdrawal. Term lengths and withdrawal notice periods are normally longer than the minimum period as outlined in terms and conditions for different products. Early withdrawals will

only be accepted in situations of personal hardship according to the sole discretion of BEF management.

- 1.11 Retail associated clients are defined as any of the following:
- a. a body constituted by or under the authority of a decision of the charity, or which is controlled by the charity;
  - b. a person or body that constituted the charity or under whose authority the charity was constituted or that controls the charity;
  - c. a charity with related charitable purposes which is the same as or similar to the charity;
  - d. a person acting as a trustee of a trust for the charity or for charitable purposes that are related to the purposes of the charity;
  - e. a member of clergy, an employee or a voluntary staff member who regularly works for a person referred to in any of paragraphs (a)–(d); A voluntary staff member who is an associate, is defined by someone who has been appointed by management to a designated role in the organisation with a defined job description.
  - f. a person undertaking training or education to enable them to be a person under paragraph (e) who receives money or money's worth from a person mentioned in any of paragraphs (a)–(e)
  - g. spouses of retail associated clients mentioned in any of paragraphs (a)-(f)

#### ***Key Terms of Debentures and Method of Fundraising***

- 1.12 BEF offers debenture products as Term Investments. The debenture products offered by BEF cater for persons who wish to promote the charitable purposes, and support the work of Christian Education organisations, in particular Australian Baptist Education Inc., and for whom profit considerations are not of primary relevance in their decision to invest. Our debenture products comprise an investment medium through which an individual or organisation can invest money to generate interest income. The funds invested are used by BEF to finance and support Christian Education organisations such as Australian Baptist Education Inc. generating interest income for BEF.
- 1.13 How the debenture product works: Investors will invest a minimum amount of money with BEF for a fixed term of 6 months, 1 year, 2 years or 3 years. Interest will be paid on these investments monthly or added to the balance to be paid at maturity, according to the choice of the investor.
- 1.14 Interest will be fixed for the term of the investment, with interest calculated daily.
- 1.15 Interest rates vary according to the term of the investment:
- a. A 6 month term earns 5% pa.
  - b. A 12 month term earns 7% pa.
  - c. A 24 month term earns 8% pa.
  - d. A 36 month term earns 10% pa.
- 1.16 Investors can choose to receive a lower interest rate if they want to further support the charitable objectives of BEF.
- 1.17 BEF reserves the right to refuse or delay applications for Term Investments or rollovers of Term Investments according to their discretion.
- 1.18 All debentures offered by BEF include within their terms an undertaking to repay any amount invested as a debt to the holder of the debenture product.

- 1.19 Clients may only be paid or repaid for the debenture or interest to an account with an Australian ADI.
- 1.20 The relevant disclosure documentation given to investors prior to investing makes it clear that the products offered are debenture products in accordance with the Corporations Act definition and details the attendant risks and conditions of the product.
- 1.21 All fees related to the investment are listed below:

SERVICE AND TRANSACTION FEES	COST
Account Keeping Fee	Nil
Account Transaction Fees	Nil
Certificate of balance (Audit Purposes)	\$50
Early Redemption Fee	\$100 will apply to each early redemption permitted.
Admin support in reversal of mistaken payment due to client error.	\$50

- 1.22 If there is a successful application for Early Redemption of the investment for reasons of personal hardship, there will be an Early Redemption Interest Rate Adjustment. The difference between the interest payable on the Term Investment and the interest paid when an Early Redemption request is approved is the Early Redemption Interest Adjustment.
- 1.23 Where an Early Redemption occurs, if interest has already been paid over the course of the investment, the interest rate adjustment will be deducted from the principal that was invested before the balance is returned to the investor.
- 1.24 Where an over-payment of interest has occurred to the investor in a case of early withdrawal, the difference will be deducted from the amount withdrawn.
- 1.25 No Early Redemption Fee or adjustment of interest will apply in the event of a request made for early redemption following the death of an investor.

EARLY REDEMPTION INTEREST RATE ADJUSTMENT	
Withdrawal in first quarter of term.	90% of interest paid will be deducted from balance.
Withdrawal in second quarter of term.	70% of interest paid will be deducted from balance.
Withdrawal in third quarter of term.	50% of interest paid will be deducted from balance.
Withdrawal in fourth quarter of term.	30% of interest paid will be deducted from balance.

**Audited Financial Reports**

- 1.26 BEF is required to lodge audited financial statements with the ACNC and ASIC within 6 months of the end of BEF's financial year.

**Guarantees or obligations to investors**

- 1.27 All debenture investments made with BEF are unsecured, and investors are advised that neither the performance of/return on investments, nor repayment of capital is guaranteed. BEF targets a liquidity reserve of 10% of total debenture investments in readily realisable investments.

**Assets to be held to satisfy applicable liabilities of investment account product**

- 1.28 Investor Funds may be invested in secured or unsecured loans, to Australian Christian Education organisations, with a priority given to organisations in the Australian Baptist Education Inc. network. Investor funds held in readily realisable investments include deposits with financial institutions in Australia, such as Commonwealth Bank, Westpac, and Baptist Financial Services Ltd.

**Countries in which investors' assets will be located**


- 1.29 Australia.

**Consent**

- 1.30 We herewith provide consent to allow any persons who so request, to examine this Identification Statement. We will maintain, or arrange for an associate to maintain, a website on which we publish our identification statement, as accepted by ASIC for five years after the charitable investment fundraiser relied on or purported to rely on it. The identification statement will be easy for members of the public who have access to the internet to find.

**Statutory Declaration**

- 1.31 We provide the following Statutory Declaration that we are a charity as defined therein.
- 1.32 I, Warick Grant Smith of Baptist Education Fund Ltd, Se 18/7 Aberdeen Street, Perth, 6000, WA, in the Commonwealth of Australia, being the Chairperson of Baptist Education Fund Ltd, do solemnly and sincerely declare that Baptist Education Fund Ltd, is a charity as defined in ASIC Regulatory Guide 87, and I make this solemn declaration by virtue of the Statutory Declarations Act 1959 and subject to the penalties provided by the Act for the making of false statements in statutory declaration, consciously believing the statements contained in this declaration to be true in every particular.

Signature of Declarant:  ..... Date: 21/3/2022

Name of Witness: Kent Miller LOGIE

Signature of Witness:  ..... Date: 21/3/2022

