



## Track Development Funding

Karting Queensland collects \$3.00 from every race nomination throughout the state. These accumulated funds are held in trust for the sole purpose of providing lending to the affiliated members (the clubs) for the purpose of improving the services and facilities provided to the Karter of the state.

### **Amounts, Terms and Repayments.**

The maximum amount of any loan will be \$60,000

The total amount owing by any member at any given time will not exceed \$60,000

The Maximum term of any loan will be 60 months from the date of draw down.

Funds will be provided to the affiliated members (the clubs) free of any interest charges, except in the case of default as determined below.

Payments will be monthly, and will commence one month after the advance has been provided on the agreed date. However structured repayments may be approved by the council. (EG. One annual bulk repayment following a major event, in order to minimise the usual monthly repayment).

An Application form is to be provided by the Karting Queensland Secretary to the club and is to be completed in full, and forwarded to the State Secretary, along with the required information (as detailed in the application form) to be tabled for approval at the next General Business Meeting of Karting Queensland. It is the responsibility of the Karting Queensland treasurer to review the application, clarify any matters if required, and present the application to Karting Queensland general meeting with a recommendation for approval or otherwise.

A club can only access the loan structure once every 5 years with no outstanding balances in any other loan agreement with Karting Queensland.

### **Purpose of Loans.**

Loans will only be provided to affiliated members of the association (the clubs)

The funds provided must be for improvements to the karting facility, or for the purchase of equipment, which will directly benefit the Karter and be beneficial to the sport. The determination as to whether the purpose of loan is “beneficial” will be decided on by the full Karting Queensland council meeting when considering the approval of the advance.

Documentation showing proof of purchases or services supplied may be requested by the Karting Queensland executive at any time during the loan period.

**In the Event of Default.**

It is the responsibility of the debtor (the club) to communicate with the Karting Queensland executive should at any time the club have difficulties in meeting their obligation.

In the event that a loan is 60 days or more overdue, and no communication has been received from that club, Karting Queensland will cease to issue race permits until such time a satisfactory arrangement has been made.

In the event of default, the Karting Queensland executive has the authority to restructure the repayment arrangements, extend the term beyond the 60 month maximum, and/or impose an interest charge. Such interest charges will not exceed the current bank bill rate.

For Karting Queensland executive to consider approval for a restructure of repayments, the club is required to provide Karting Queensland executive with a current statement of position for the club, and updated profit and loss statements.

The club will also need to provide details as to what has led to the financial hardship, whether this is short or long term problem, and a cash flow projection as to how the restructured commitment can be met.

**Approved – Council Meeting Date SKC - 17/05/2008**

**Modified – Date 13/08/2016**

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**Approved**