

PRESS STATEMENT

Commissioner of Charities bans Global Virtue Pte. Ltd. and associated persons from conducting fund-raising appeals for charitable purposes

The Commissioner of Charities (COC) has issued a prohibition order under Section 39B(1) of the Charities Act to bar the following company and individuals from conducting any fund-raising appeal for charitable, benevolent or philanthropic purposes with effect from 14 November 2013.

- i. Global Virtue Pte. Ltd., set up as an exempt private company¹ in 2012
- ii. Muhammad Zuhairi Bin Abdullah (Director of Global Virtue Pte. Ltd.)
- iii. Mohammad Rudi Bin Muhammad Suffian (Director of Global Virtue Pte. Ltd.)
- iv. Jeffri Bin Pawel (Adviser of Global Virtue Pte. Ltd. and person-in-charge of fund-raising appeals).

2 The COC's Office had received complaints about teenagers representing Global Virtue Pte. Ltd. soliciting donations or selling vouchers at public places purportedly for charitable causes. The company claimed, including on its website, to be contributing a portion of its sale proceeds to non-profit and charitable organisations as part of its corporate social responsibility programme.

3 Investigations showed that Global Virtue Pte. Ltd. had no proper control over the vouchers or sale proceeds and no proper accounting records were maintained, as required under the law. The COC has concluded that the fund-raising appeals by Global Virtue Pte. Ltd. have been improperly administered by its Directors and Jeffri Bin Pawel.

4 To safeguard the public interest and maintain the public's confidence in the Charity sector, the COC will prohibit the above-mentioned company and individuals from conducting any fund-raising appeal with effect from 14 November 2013.

Public Advisory

5 In the case of direct selling, it is important to note that where there is a representation that the whole or any part of the sale proceeds would be used for charitable, benevolent or philanthropic purposes, such sale activities are considered fund-raising appeals by law. This is the case even when sellers communicate any form of disclaimers, such as, "this is not a donation drive" or "this is not a fund-raising appeal". As such, organisers of such activities are expected to comply with the regulatory requirements prescribed in the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012. These include the keeping of proper records, and the duty to disclose clear and accurate information on, amongst others, the name of the charity or persons to which the donation will be given, the purpose for which the donation will be used and whether any commercial fund-raiser has been engaged.

¹ An Exempt Private Company (EPC) is a private company which has at most 20 shareholders. No corporation holds (directly or indirectly) any beneficial interest in the EPC's shares.

6 If the fund-raising appeal is conducted by way of appealing to the public, made by means of visits from house to house or of soliciting in streets or other places or by both such means, fund-raisers are required to obtain a licence from the Singapore Police Force under the House to House and Street Collections (HHSC) Act.

7 When approached at publicly-accessible areas for donations or contributions towards purportedly charitable purposes, members of the public should verify if the fund-raiser has been given a valid licence under the HHSC Act. This can be done by sending a SMS query to 79777 using the following format: "FR<space><licence/certificate number or organisation name>".

8 The COC would like to thank members of the public who brought the fund-raising activities of Global Virtue Pte. Ltd. to its attention.

**The Office of the Commissioner of Charities
Ministry of Culture, Community and Youth
14 November 2013**

BACKGROUND INFORMATION - CHARITIES ACT – SECTION 39B(1)

Power of Commissioner to prohibit or restrict fund-raising appeal

Section 39B. — (1) Notwithstanding any exemption or permit granted under section 39A, the Commissioner may, at any time, by order published in the *Gazette* —

- (a) prohibit or stop the conduct of any fund-raising appeal by any charity or person; or

- (b) restrict the conduct of any fund-raising appeal by any charity or person by imposing conditions,

if he is satisfied —

- (i) that any fund-raising appeal conducted by the charity or person has not been conducted in good faith for charitable, benevolent or philanthropic purposes;
- (ii) that any of the persons who have conducted a fund-raising appeal, or any persons associated with any such appeal, are not fit and proper persons to administer, or to be associated with, a fund-raising appeal for charitable, benevolent or philanthropic purposes;
- (iii) that any fund-raising appeal has been improperly administered;
- (iv) that, in connection with any fund-raising appeal conducted, the provisions of this Act or the regulations or the conditions imposed by the Commissioner were not complied with by any person conducting or participating in the appeal; or
- (v) that, in the public interest, the fund-raising appeal should not be conducted.