

Commencement: 22 November 1999

## CHARITABLE ASSOCIATIONS (MICRO-FINANCE)

Order 41 of 1999

**To declare non-profit micro-finance schemes targeting poor and disadvantaged people to be for charitable purposes.**

### **1. Declaration**

For the purposes of the Charitable Associations (Incorporation) Act [Cap. 140], the objects of non-profit micro-finance schemes targeting poor and disadvantaged people are declared to be charitable purposes.

### **2. What is authorised to be done under a micro-finance scheme**

Any person implementing a non-profit micro-finance scheme is authorized to do the following:

- (a) extend small loans at fair and reasonable rates of interest and fees to cover costs of operations;
- (b) receive savings or deposits from its clients and deposit the same in any bank or invest the funds by lending to clients;
- (c) utilize any surplus over expenditure to solely cover operational costs (including salaries of officials and staff) and to build up the lending capital of the organization, and not to be distributed to the officials or staff to directly benefit themselves.