

DOES MR RAYMOND CHAN FAT CHU HAVE SOME EXPLAINING TO DO ?

Now that the dust has settled over the little group of publicly listed, metals trading/smeltering companies, which once was controlled by Mr Raymond Chan Fat Chu, the day of reckoning for the gentleman, who made an attempt at being a metals trading mogul and who, for the past few years, has stayed, pretty much in the background, must be at hand.

Because nobody loves a loser – and that is what Mr Raymond Chan must be considered in view of the latest evidence to come to light.

Recently, allegations have been made to the effect that Can Do Holdings Ltd (Code: 172, Main Board, The Stock Exchange of Hongkong Ltd) has been unable to pay its debts as they fell due.

And that this situation has existed for some time.

At least, that would be the contention of at least one creditor: iOne Financial Press Ltd.

According to TARGET's information, Can Do Holdings issued 2 cheques to iOne Financial Press, but both cheques, allegedly, bounced when presented for payment.

iOne Financial Press issued legal proceedings against Can Do Holdings when it became impossible to obtain its money by any other means since the alleged debts to iOne Financial Press went back to March 23, 2001 and April 16, 2001.

The aggregate amount of these 2 cheques was said to be \$HK168,217.17.

About 10 days prior to iOne Financial Press, taking action against Can Do Holdings, another of Mr Raymond Chan's companies was on the receiving end of the ire of a public relations company.

This time it was Tem Fat Hing Fung (Holdings) Ltd (Code: 661, Main Board, The Stock Exchange of Hongkong Ltd), which, it was alleged, had not been paying its bills as they fell due.

Capital Financial Press Ltd sued not only Tem Fat Hing Fung but, also, Mr Raymond Chan, who was described in those legal proceedings as *'being the Authorised Representative of the Defendant in Hong Kong'*.

Tem Fat Hing Fung, one would think, would have used solicitors as its *'Authorised Representative'* so that the inclusion of the Chairman's name in the legal proceedings must be considered odd, to the say the least.

Capital Financial Press sought only \$HK69,495.60 in its claim against the publicly listed company.

The allegations, made by the PR company, were that Tem Fat Hing Fung had issued the PR company with a cheque, drawn on The Hongkong and Shanghai Banking Corporation Ltd, but when the cheque was presented for payment, it was returned to Capital Financial Press, dishonoured.

The date of the issuance of the purported cheque was said to be March 31, 2001, a date which appears to dovetail, pretty nicely, with the allegations, made by iOne Financial Press in respect of its claims against Can Do Holdings.

Also, both of the allegations, made by the 2 aggrieved parties with regard to Mr Raymond Chan's companies, seem to dovetail since they both allege that the 2 companies had been in the habit of issuing cheques, apparently, without sufficient funds to cover the amounts of money, stated in the cheques.

In some jurisdictions, to issue a cheque, knowing that there are insufficient funds to cover the amount of money, stated on the cheque, is a criminal offence.

A cheque is supposed to be immediate payment and differs from a '*Bill of Exchange*' in that a Bill of Exchange may be for future payment in addition to immediate payment.

The issuance of a postdated cheque, therefore, is a bit of a bugger in the criminal code of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) since, technically, it should be an offence at law.

The concept has never been tested in the HKSAR although issuing postdated cheques in New Zealand has been proscribed by law for many years.

In a brief conversation with an official of Capital Financial Press, recently, TARGET was told that the amount of money, due to his company by Tem Fat Hing Fung, was more than 6 months overdue.

Assuming that this gentleman, a Mr Brian Liu, was telling the truth, then, Tem Fat Hing Fung must have made use of this PR company's services, last September or October, at the latest.

If that is the case, then Tem Fat Hing Fung issued its cheque after what must have been a number of reminder notices from the PR company.

But then issued a '*rubber cheque*' in satisfaction of the alleged debt.

Naughty, naughty!

When Mr Liu was asked as to the reason that Mr Raymond Chan was listed as being the '*Authorised Representative*' of Tem Fat Hing Fung, he said that it must have been... [CLICK TO ORDER FULL ARTICLE](#)

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