

**CODEBANK LTD :
ANOTHER DAY; ANOTHER WRIT**

Within one day of TARGET's last report about publicly listed Codebank Ltd (Stock Code Number 8162, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) and The GEM company received another legal 'slap' in the face.

This time, the 'slap' has come from a subsidiary of Allied Group Ltd (Code: 373, Main Board, The Stock Exchange of Hongkong Ltd), which is claiming the best part of \$HK350,000 from the Internet technology company of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The Allied Group subsidiary is named Jaffe Development Ltd, which company is the Registered Owner of the 39th Floor of Number 333, Lockhart Road, Wanchai, the HKSAR.

According to High Court Action Number 2276, Jaffe Development entered into a Provisional Tenancy Agreement with Codebank on March 11, 2002, whereby it agreed to let the entire 39th Floor of Number 333, Jaffe Road, to Codebank for a period of 2 years, commencing April 1, 2002 and ending on April 31, 2004 ('April 31' is taken from Page One of the Statement of Claim, attached to the Writ of Summons).

The monthly rental was, allegedly, fixed at \$HK70,980, exclusive of rates, management fees and air-conditioning charges, which are payable, monthly, and in advance.

Paragraph 4 of the Statement of Claim states:

'Pursuant to the Provisional Tenancy Agreement, the Defendant had duly paid the advancement payment in the sum of HK\$97,734.00 to the Plaintiff upon signing the Provisional Tenancy Agreement.'

The terms and conditions of this Provisional Tenancy Agreement included, inter alia, a rent-free period of 4 months, from April 1, 2002 to April 30, 2002, and from April 1, 2003 to May 31, 2003, and from March 1, 2004 to March 31, 2004.

However, Codebank was obligated to pay rates, management fees and air-conditioning charges, during the rent-free period, Paragraph 5 (c) alleges.

It is alleged that Codebank moved into its new offices on March 20, 2002.

Six days later, March 26, it is alleged that Codebank was sent a draft tenancy agreement, 'incorporating the terms and conditions of the Provisional Tenancy Agreement and other standard terms and conditions ...', Paragraph 7 states.

With the draft tenancy agreement, solicitors, representing Jaffe Development, informed Codebank by letter that the amount of \$HK297,979 was payable to the landlord, particularised as ...

This Action was initiated just one day after TARGET's exclusive report of last Wednesday (Please see [TARGET Intelligence Report, Volume IV, Number 108](#)), headlined: 'WHO'S QUICK ON THE TRIGGER WITH TARGETS NOT MUCH BIGGER THAN A PINPOINT AT NUMBER ONE?' ... [CLICK TO ORDER FULL ARTICLE](#)

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