

**CODEBANK LTD :
WHAT WAS THAT EXIT CODE, AGAIN ?**

Would-be Internet company, Codebank Ltd (Code: 8162, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd), is on the firing line, yet again, following yet another claim, being levelled against it, this time for about \$HK3.17 million.

The Plaintiffs in the latest attack on this GEM-listed company comes from Bestcharm Holdings Ltd and Huge Rich Ltd, the 2 complainants in High Court Action Number 3686.

This is the sixth legal Action, having been taken against this publicly listed company of the Special Administrative Region (HKSAR) of the People's Republic of China (PRC) in the past 10 months or so, with the amount of money, being claimed, having risen to more than \$HK6 million.

According to the latest attack on this company, it is alleged that Codebank entered into an agreement with The Hongkong and Shanghai Banking Corporation Ltd (HSBC) on or about October 4, 2001 with HSBC, agreeing to lend to Codebank \$HK3.47 million.

The loan was subject to an interest rate of 2 percent over HSBC's Best Lending Rate, subject to fluctuation.

The loan was drawn down in full, it is alleged at Paragraph 5 of the Statement of Claim, attached to the Writ of Summons.

Paragraphs 6 and 7, then, state:

'As at 13 August 2002 the outstanding amounts due and owing to HSBC by the Defendant pursuant to the Loan Agreement were principal of HKD3,081,338.61 and accrued and unpaid interest of HKD86,672.78.

'By an assignment in writing made on 14 August 2002 between HSBC and the Plaintiffs (Bestcharm Holdings Ltd and Huge Rich Ltd) HSBC assigned to the Plaintiffs as joint and several assignees all its rights in respect of the Loan Agreement ... '.

Bestcharm and Huge Rich are, now, demanding \$HK3,168,011.39 from the public company.

Bestcharm and Huge Rich would appear to be beneficially owned by a Mr Lam Sze Chau and, according to **TOLFIN** (**TARGET**'s Computerised, Online Financial Service and Credit-Checking Provider), at one time, it held – and may, still, hold – about 1.71 percent of the Issued and Fully Paid-Up Share Capital of Codebank.

TOLFIN's records show that, on August 29, 2002, Codebank sued Bestcharm and Huge Rich in the High Court of the HKSAR in respect of a breach, or breaches, of the contents of a purported confidential agreement.

Codebank sought to obtain an Injunction, restraining Bestcharm and Huge Rich from ... [CLICK TO ORDER FULL ARTICLE](#)

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