

**RAINBOW INTERNATIONAL HOLDINGS LTD :
THE CHAIRLADY GETS SUED**

The Chairlady of publicly listed [Rainbow International Holdings Ltd](#) (Code: 8079, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd) has been sued by Chekiang First Bank Ltd in respect of a purported 1994 Legal Charge on a Mid-Levels residential unit.

It is the third claim, made against Ms Aldy Li Ngar Kwan, in the past 60 days or so.

In the latest claim against the Founder of The Rainbow Group of Companies, which is insolvent, Chekiang First Bank claims that payment is now due from Ms Aldy Li *'under the respective covenants in the First Legal Charge dated the 2nd day of November, 1994 and made between the Defendant as the Mortgagor of the first part, Rainbow Cosmetic Co. as the Borrower of the second part and the Plaintiff as the Bank of the third part ...'*

A Deed of Variation and Further Charge, dated August 2, 1996, was, allegedly, made between Ms Aldy Li and Chekiang First Bank, with Rainbow Cosmetic Company as the borrower.

Chekiang First Bank wants *'all money due ... under the respective covenants ...'*

The property at the centre of this matter is Unit A, 11th Floor, and a car-parking space, Panorama Gardens, Number 103, Robinson Road, Mid-Levels, the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

This property was purchased in 1993 for about \$HK4.40 million, according to **TOLFIN** (**TARGET**'s Computerised Online Financial Service and Credit-Checking Provider).

The amount of money, due and owing to this bank, is not stated, but it cannot be more than \$HK600,000, which is, currently, the limits of claims, allowable in the HKSAR District Court.

An amount of \$HK600,000 would have been petty cash to Ms Aldy Li, just a few years ago, but, today, times have changed and, if one cannot pay such a sum of money, it might just as well be billions of dollars – because the sum of money cannot be met.

And, clearly, Ms Aldy Li is having a great deal of trouble in keeping the creditor wolves away from her door, where-ever that may be, today.

Just yesterday, 2 more Claims were filed in the Small Claims Tribunal against Rainbow Cosmetic Company Ltd, both Claims, being for alleged dishonoured cheques.

Rainbow Cosmetic Company transferred its business to Jet Legend Ltd on December 31, 2000, **TOLFIN**'s records indicate.

Today, Jet Legend is insolvent, according to an announcement of Rainbow International, dated November 27, 2002.

This is the third claim, of late, made against this lady, who founded the Rainbow Group, formerly the operator of 8 retail cosmetic shops in the territory.

The Commissioner of Inland Revenue of Hongkong, also, sued Ms Aldy Li for \$HK671,946 on October 15, 2002, according to **TOLFIN**.

One day prior to Chekiang First Bank, staking its claim against Ms Aldy Li, the same bank sued her, and her nephew, Mr Elbert Lee (now living in Canada), formerly a Director of Rainbow International, in respect of an alleged delinquent mortgage.

Just last Friday, Rainbow International announced that it had received new claims against the Group, aggregating another \$HK124,139.

That brings the grand total to 39 claims, filed in various HKSAR Courts in the past 6 months or so.

Which must be something of a record for a company ... [CLICK TO ORDER FULL ARTICLE](#)

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