

**CHINA SPECIALISED FIBRE HOLDINGS LTD:  
CHEN SHUN LI 'HIT' AGAIN**

The Chairman of [China Specialised Fibre Holdings Ltd](#) is getting deeper and deeper in trouble, it appears, as the days grow longer ... and, presumably, his pockets become shallower.

Mr Chen Shun Li, the Chairman of China Specialised Fibre, has been hit, twice again, by a bank, licensed in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC): Pacific Finance (Hongkong) Ltd.

According to Pacific Finance, Mr Chen Shun Li was a guarantor, along with China Specialised Fibre, in which Mr Chen Shun Li has a 64.30-percent stake, and Central Harvest Holdings Ltd, a wholly owned subsidiary of China Specialised Fibre, to a purported August 30, 2001 Loan Agreement, made between Pacific Finance and Fujian Shunda Polyester Fibre Company Ltd.

The amount of the loan, according to the Statement of Claim, attached to the Writ of Summons in High Court Action Number 2776, filed in the HKSAR, recently, was for up to \$HK11,914,000.

Fujian Shunda Polyester is described in the Statement of Claim as being '*a wholly foreign-owned enterprise incorporated under the laws of the People's Republic of China ("the PRC") and having its legal address at Zhangang Industrial Zone, Changle City, Fujian Province, the PRC.*' (Paragraph 2 of the Statement of Claim)

According to **TOLFIN** (**TARGET's** Computerised Online Financial Intelligence Service and Credit-Checking Provider), Fujian Shunda Polyester is another, wholly owned subsidiary of China Specialised Fibre.

Fujian Shunda Polyester is the First Defendant to this Action, while China Specialised Fibre is the Second Defendant, with Mr Chen Shun Li, being the Fourth Defendant.

The Third Defendant is Central Harvest Holdings Ltd.

The Statement of Claim at Paragraph 7, alleges that the Second, Third and Fourth Defendants '*jointly and severally guaranteed irrevocably and unconditionally, as principal debtors and not merely as sureties, until final payment has been made, the due and prompt payment by the 1<sup>st</sup> Defendant to the Plaintiff (Pacific Finance) of the Loan and all interest thereon and all monies due or become due from the 1<sup>st</sup> Defendant to the Plaintiff ... in the manner and at the times fixed or calculated under the Loan Agreement for payment of the same and the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Defendants further jointly and severally guarantee, unconditionally and irrevocably, as principal obligors and not merely as sureties, the due and punctual performance and observance by the 1<sup>st</sup> Defendant of all its obligations and liabilities under the Loan Agreement so that whenever the 1<sup>st</sup> Defendant fails to make payment of the Guranteed Indebtedness or any part thereof in the manner provided in the Loan Agreement and/or fails to perform and observe any of its obligations and liabilities under the Loan Agreement, the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Defendant shall upon demand by the Plaintiff ... forthwith pay or cause to be paid to the Plaintiff the Guaranteed Indebtedness ...*'.

It is alleged, at Paragraph 9, that Fujian Shunda Polyester 'has been in default of payment of the monthly instalments under the Loan Agreement.'

Paragraph 12 alleges that despite demands of all Defendants, it had failed to result in the bank, getting money, allegedly due to it.

Pacific Finance is claiming, from all Defendants:

1. \$HK6,318,339.30
2. Interest on the sum of \$HK1,459,930 at the rate of 3 percent per month from July 25, 2003;
3. Costs against Fujian Shunda Polyester; and,
4. Costs on an indemnity basis against the other 3 Defendants.

In respect of ... [CLICK TO ORDER FULL ARTICLE](#)

***While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to [editor@targetnewspapers.com](mailto:editor@targetnewspapers.com) or [targnews@hkstar.com](mailto:targnews@hkstar.com). TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*