T.C. FOO AND COMPANY SUED FOR THE THIRD TIME IN A FORTNIGHT

For the third time in less than a fortnight, a solicitors' firm of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) has been sued.

But the latest 2 Actions, lodged in the High Court and the District Court of the HKSAR leave one to speculate as to whether or not there is more to these matters than just allegations of negligence, breach of duty, etc, on the part of this solicitors' firm.

The bigger of the 2 latest Actions is the one, filed in the HKSAR High Court by Ms Flavia Chou Lam Suk Tze, who has sued T.C. Foo and Company for about \$HK2.24 million.

The Statement of Claim, attached to High Court Action Number 2225, follows very similar lines to the earlier claim against this solicitors' firm, contained in <u>TARGET Intelligence Report, Volume VI, Number 181</u>, headlined:

PROMINENT HONGKONG SOLICITORS' FIRMS SUED: NEGLIGENCE AND BREACH OF DUTY ALLEGED'

The case, outlined by Ms Flavia Chou Lam Suk Tze, recites that she agreed to purchase a flat at the Shatin, New Territories' residential complex, under construction in June 1997, known as Vista Paradiso.

Concord Property Development Company Ltd was the developer of this project and T.C. Foo and Company allegedly acted for and on behalf of the Plaintiff in the purchase of this new flat, as well as acting for and on behalf of the Vendor of the property: Concord Property Development.

Ms Flavia Chou Lam Suk Tze agreed to pay \$HK6,831,000 for Flat H on the 20th Floor of Tower 2 of Vista Paradiso and another \$HK540,000 for one car park, according to Paragraphs 2 and 3 of the Statement of Claim, attached to Writ of Summons Number 2225.

That was back on June 27, 1997, and T.C. Foo and Company was paid, in aggregate, \$HK4,000 for its professional services in 'preparing engrossing and completing the Agreements for Sale and Purchase (ASP) to be executed on 4th July 1997 pursuant to the 1st and 2nd Provisional Contracts. ' (Paragraph 6 of the Statement of Claim)

As with the earlier claim against this solicitors' firm, that one launched by Ms Anna Tsang Yim Sheung and having been reported by **TARGET**, just last Wednesday, the Statement of Claim in respect of High Court Action Number 2225 explains how the Vendor obtained an 83-day extension for completion of the project, but still failed to complete on time.

And there lies the rub, it is alleged.

Paragraphs 10, 11, and 12 allege:

'10. By the reason of the matters pleaded hereinbelow, in breach of contract and/or negligently and/or in breach of duty, the Defendant failed to exercise all proper skill and care, diligence and competence in and about advising the Plaintiff of her right of rescission under the said ASP which she would have done if the Defendant had advised her right under the ASP.

'11. The Defendant did not explain the right of the Plaintiff under the ASP. In particular, if the Vendor failed to complete the Buildings (as defined in the ASP) by the date specified in Clause 4(1)(c) as extended by any extensions of time granted by the Authorised Person (as defined in the ASP) under Clause 5(a), the Plaintiff could serve a notice to terminate the ASP within a prescribed time limit and the Vendor shall repay to the Plaintiff all amounts paid by them under the ASP together with interest.

'12. The Defendant also failed to give a copy of the said ASP to the Plaintiff before or after her signing the same.'

It was not until September 30, 1998, that the Vendor obtained 'the Consent to Assign from the Lands Department', according to Paragraph 17.

Concord Property Development, via T.C. Foo and Company, 'issued two letters both dated 24th October 1998 requesting the Plaintiff (Ms Flavia Chou Lam Suk Tze) to complete the sale and purchase of the Flat and the Car Parking Space within 14 days thereafter.' (Paragraph 18)

The Plaintiff could not complete the transaction within the time frame, it is alleged.

The Vendor, then, terminated that ASP and, in addition, on March 16, 2004, issued legal proceedings in the High Court against Ms Flavia Chou Lam Suk Tze, claiming loss and damage under the ASP with interest and costs.

Ms Flavia Chou Lam Suk Tze is, now, claiming from her former solicitors' firm:

1. The forfeited deposit and part payment in the amount of \$HK2,211,300, along

with interest; and,

2. Payment of the sum of \$HK202,702.50, being Stamp Duty paid, plus legal costs, amounting to \$HK6,319.50.

The second claim against T.C. Foo and Company ... CLICK TO ORDER FULL ARTICLE

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