

TARGET

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CT ENVIRONMENTAL GROUP LTD:

AS THE PROVERB GOES: ‘WHEN IT RAINS, IT POURS’

Emperor Securities Ltd ([]) (a wholly owned subsidiary of Emperor Capital Group Ltd [] Code: 717, Main Board, The Stock Exchange of Hongkong Ltd) has lodged Writ of Summons, Number 1991 of 2019, in the High Court of the **Hongkong Special Administrative Region (HKSAR)** of the **People’s Republic of China (PRC)**, naming the Chairman of CT Environmental Group Ltd () (Code: 1363, Main Board, The Stock Exchange of Hongkong Ltd) as the Guarantor of the purported debts, owed to Emperor Securities Ltd by Keen Vast Holdings Ltd ().

According to the database of **TOLFIN** (), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider, all the Issued Share Capital of Keen Vast Holdings Ltd – the First Defendant – is beneficially owned by Mr Tsui Cham To (), the Chairman of CT Environmental Group Ltd.

In the Statement of Claim, attached to Writ of Summons, Number 1991 of 2019, the Plaintiff, Emperor Securities Ltd, alleges the Keen Vast Holdings Ltd *‘is and was’* at all material times, a client, and that Mr Tsui Cham To – the Second Defendant – *‘is and was at all material times the guarantor in respect of the loan facilities granted by the Plaintiff to the 1st Defendant.’*

The Statement of Claim, then, continues by stating matters with regard to a purported Client Agreement, entered into between the Plaintiff and the First Defendant on May 18, 2017.

It was on that date that the First Defendant ‘*opened a margin account*’ with the Plaintiff, it is alleged.

The Statement of Claim, then, goes on to state the terms and conditions of the purported margin account:

- ‘(a) *All the 1st Defendant’s securities, commodities, futures contracts, or other property received for the 1st Defendant, or deposited by the 1st Defendant, or purchased for the 1st Defendant or held on the 1st Defendant’s behalf (hereinafter called the “**Charged Assets**”) shall stand charged by way of first fixed charge as continuing security for the payment and discharge of any amounts due and owing by the 1st Defendant to the Plaintiff. The 1st Defendant as beneficial owner thereby irrevocably authorizes the Plaintiff to sell or dispose of the Charged Assets at such price and in such manner at the Plaintiff’s absolute discretion and to apply the net proceeds thereof to repay the Plaintiff and discharge the 1st Defendant’s indebtedness to the Plaintiff (Clause 8.5 under Section B);*

- ‘(b) *Upon the occurrence of an event of default as specified in clause 12 and 13 under Section B of the Client Agreement, the Plaintiff shall be entitled, without notice or demand, to take any of the actions set out thereunder and apply the net proceeds (after deduction of all fees, costs and expenses properly incurred) in reduction of the 1st Defendant’s outstanding obligations or indebtedness to the Plaintiff (Clause 8.6 under Section B);*

- ‘(c) *Any of the following shall constitute an “Event of Default”:-*

- (i) *in respect of any transaction, the 1st Defendant shall fail:-*

 - (1) *to pay any purchase price or other payment under the Client Agreement when due;*

 - (2) *to provide the required margin when called upon to do so; or*

 - (3) *to make or take delivery of the Investments or commodity when required under the relevant contract (as the case may be); or*

 - (ii) *the 1st Defendant’s default in the due performance or observance of any terms of the Client Agreement*

(Clause 12 under Section B);

- ‘(d) Without prejudice to any other right or remedy which the Plaintiff may have, if any Event of Default shall occur, the Plaintiff shall be authorized (but is not obliged), in its absolute discretion and in accordance with any applicable laws and regulations, to take one or more of the following... [CLICK TO ORDER FULL ARTICLE](#)

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