

## Press Release

24/03/03

### Bank chief and two others guilty of bribery over \$900m credit scam

A general manager and a credit manager of Hang Seng Bank Limited and a company director, charged by the ICAC, were today (Monday) convicted at District Court of bribery in relation to the granting of mortgage loans and about HK\$900 million in Letters of Credit (L/C) facilities.

Peter Sau Ming, 56, general manager of Hang Seng Bank, and Lo Pui-shing, 50, credit manager of Hang Seng Bank, were each found guilty of four counts of accepting an advantage as an agent, contrary to Section 9(1) of the Prevention of Bribery Ordinance.

Co-defendant Ho Siu-hoi, 33, a director-cum-shareholder of Au Kiang International Company Limited (Au Kiang) and Dero Enterprises Limited (Dero), was found guilty of 10 counts of conspiracy to offer an advantage.

Judge Chua adjourned sentencing until Wednesday (March 26), and remanded the defendants in the custody of the Correctional Services Department.

Au Kiang and Dero, of which Ho Siu-hoi's father Ho Chi-chun was also a director-cum-shareholder, purchased a number of properties in Hong Kong and the Mainland.

Au Kiang and Dero applied to Hang Seng Bank for mortgage loans as well as L/C facilities in relation to such properties.

The court heard that Ho Siu-hoi had conspired with his father Ho Chi-chun and another person to offer five Rolex watches and unspecified sums in cash to Lo and other employees of Hang Seng Bank.

The advantages were rewards for facilitating the granting of mortgage loans, and 258 L/Cs valued at about HK\$900 million in total to Au Kiang and Dero.

The court also heard that Sau had accepted a total of HK\$200,000 and US\$40,000 (about HK\$312,000) in cash, and two Rolex watches from Ho Chi-chun for the same reason.

Lo had also accepted two Rolex watches and HK\$100,000 in cash from Ho Siu-hoi for the same reason.

The offences took place between May 1994 and March 1998.

The court heard that Au Kiang and Dero had subsequently repaid part of the mortgage loans and credit facilities to the bank. The outstanding amount of loans and credit facilities the companies owe to the bank is believed to be around \$300 million.

The prosecution was today represented by Charlotte Draycott on a fiat, assisted by ICAC officers Dale Ko and Mabel Chu.