

Ex-manager jailed for fraud over \$1.7M worth of training contracts

17.06.09

A former training manager of Dah Chong Hong Limited (DCH), charged by the ICAC, was today (Wednesday) sentenced to 15 months' of imprisonment at the District Court for deceiving DCH into awarding training contracts worth over \$1.7 million to two companies under his control.

Cheung Chi-fai, 43, was earlier convicted of two counts of fraud.

In passing sentence, Deputy District Court Judge Eddie Yip noted that a custodial sentence had to be imposed as the offences committed by the defendant constituted a serious breach of trust.

The court heard that Cheung joined DCH in June 2002 as a training manager and was responsible for identifying training service providers and arranging training courses for DCH staff.

DCH requires all employees to declare any financial interests with any supplier and contractor that provides services to the company.

The court heard that between February 2006 and September 2007, upon Cheung's recommendation, DCH awarded a total of seven training contracts to Comwell Management Consultant Limited (Comwell), worth a total of \$1,056,500.

Another five training contracts at a total sum of \$670,966 were awarded to Host International Company Limited (Host) between August 2006 and October 2007.

The court heard that Comwell and Host were set up by Cheung's wife in August 1997 and November 1998 respectively under the defendant's instruction, while Cheung's parents were named as directors and shareholders of the two companies.

The court heard that Cheung had concealed from DCH his and his parents' interests in the two companies with intent to deceive DCH into awarding the said contracts.

The prosecution was today represented by prosecuting counsel Mr Wong Po-wing and assisted by ICAC officer Wilson Sim.