

## Ex-Senior Consultant of HKPC charged with \$1.1m fraud over purchase of goods

02.12.10

The ICAC has charged a former Senior Consultant of the Hong Kong Productivity Council (HKPC) for his alleged role in deceiving about \$1.1 million from the council by using false quotations in purchasing goods, and handling crime proceeds.

Ling Chung-hang, 40, faces a total of 28 charges - 15 of agent using document with intent to deceive his principal, contrary to Section 9(3) of the Prevention of Bribery Ordinance; 11 of fraud; and two of dealing with property knowing or having reasonable grounds to believe to represent proceeds of an indictable offence, contrary to Section 25(1) of the Organised and Serious Crimes Ordinance.

The defendant will appear at Eastern Magistracy at 9:30 am tomorrow (Friday) for transfer to the District Court.

At the time of the alleged offences, the defendant was a Senior Consultant of the HKPC's Automotive and Electronics Division. To conduct research projects, the defendant sought funding from the HKPC to procure products, equipment, devices or services.

Fifteen of the charges allege that the defendant used 15 quotations of a company, which contained false statements that the company would be willing to sell certain goods to the HKPC, with intent to deceive the HKPC.

The HKPC was caused to make purchase orders and hence cheque payments totalling about \$1.1 million to the above company and another company, which were allegedly under the defendant's control.

Eleven other fraud charges allege that the defendant, with intent to defraud, falsely represented that the goods purchased were in order, and induced the HKPC not to take action to recover the losses suffered.

ICAC enquiries revealed that the goods had never been delivered to the HKPC.

The remaining two charges allege the defendant of having dealt with the cheque payments from the HKPC for the purchase of the above goods, knowing that the payments represented the proceeds of an indictable offence.

The above alleged offences took place between November 2007 and September 2008.

The case arose from a corruption complaint. The HKPC has rendered full assistance to the ICAC during its investigation.

The defendant has been granted ICAC bail, pending his court appearance tomorrow.