

# Ex-director faces 126 charges involving \$11m

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A 61-YEAR-OLD man was charged yesterday with 126 counts of conspiracy to cheat and failing in his duties as a director under the Companies Act. In all, \$11 million was involved.

Ong Eng Loong, a retiree and a bankrupt, is alleged to have conspired with Oei Khie and several others to cheat the then Industrial and Commercial Bank 82 times between 1997 and 2002 in order to obtain letters of credit and payments.

The bank, believing that

the documents presented were for genuine transactions, credited varying sums of money into the corporate accounts of Poh Lian Shipping and Long Luen Trading.

Oei, 63, then manager of Poh Lian and former director of wholesale company Long Luen, has served a 30-month jail sentence for his role in the offences.

Ong was a director of Nam Keong Industrades, a timber company which has since been wound up.

In two charges, he is alleged to have defrauded his company's creditors by entering into an agreement to buy timber from Soon Timber,

which incurred debts of \$59,534 and \$55,468 in May 2002 for Nam Keong.

In 37 charges, Ong is also said to have failed to act honestly in discharging his duties as a director.

Appearing at times to treat his company coffers as a personal source of funds, he allegedly withdrew between \$15,000 and \$150,000 from its accounts for his own use in 2002 - sums he had no intention of paying back.

One of the 37 charges accuses him of authorising the payment of \$250,000 in directors' fees to himself and other members of his family at the company's annual general meeting on Sept 20, 2002.

Another five counts under the Companies Act accuse him of failing to use reasonable diligence when he authorised payment of salaries of between \$12,000 and \$50,000 to himself and four others.

The prosecution sought bail of \$500,000, but his lawyer Loo Choon Hiaw asked for the sum to be a fifth of that.

He said his client did not pose a flight risk: Ong's family was here, he had been turning up for investigations and his passport has been impounded for two years.

Mr Loo added that Ong had executed personal guarantees on behalf of the company's debts.

District Judge Danielle Yeow, setting bail at \$300,000, noted that while a third of the charges related to the Companies Act, the rest were for conspiracy to cheat.

Ong is out on bail and will be back in court on Oct 19.