

# Matilda Chua fined \$20k

## Player in NKF saga fails in appeal over falsifying accounts

BY SELINA LUM



Chua lost her appeal in the High Court yesterday and now has to pay an additional fine. She says she is relieved the saga is over, and is now taking it easy. This case is not part of the NKF scandal.

ST PHOTOS: SHAHRIYA YAHAYA



The scam involved share sales to businessman Seah Chin Yew.



The elder Seah had been fined \$150,000 earlier for share-rigging.

## Undone by NKF charity scandal

THE charges faced by Matilda Chua, a former director of the National Kidney Foundation, are not linked to the mismanagement scandal at the charity. However, the offences are said to have surfaced when the investigators started looking into her role at the charity.

Chua began her career at NKF as a public relations executive in May 1991, climbing to the position of senior associate director within 10 years. She resigned from her post in July 2000 with a severance package of \$150,000. She was appointed as a director in August 2002 and had a seat on the NKF executive committee.

The High Court decision yesterday ends all the criminal cases against the members of the former NKF board.

Former chief executive T.T. Durai was jailed three months for deceiving the NKF into paying \$20,000 to his interior designer friend.

Former chairman Richard Yong and former honorary treasurer Loo Say San were each fined \$5,000 for failing in their duties as directors of the charity.

Mr Yong was later jailed 15 months for moving nearly \$4 million to his wife's account in Hong Kong to avoid paying damages to NKF.

Mr Durai and Mr Yong have since finished serving their sentences.

Mr Yong's wife, On Shu Kio, is in jail in Hong Kong for money laundering.

NEARLY three years after former National Kidney Foundation (NKF) board member Matilda Chua was hauled to court on criminal charges, her case has finally come to a close.

Yesterday, Chua, 39, was sentenced to a total fine of \$20,000 on two charges of falsifying the books of her call centre company, Global Net Relations (GNR).

In 2007, a district court had fined her \$10,000 on one count and cleared her of the other. But the acquittal was overturned by the High Court yesterday on appeal by the prosecution.

Her acquittal on a third charge of share-rigging stands.

Chua, who had paid \$10,000 for the earlier conviction, has to pay the other \$10,000 by Monday.

She was the managing director and shareholder of GNR, which had another director, former NKF chief executive T.T. Durai.

She was accused of twice cooking GNR's books to hide a discounted share sale.

Chua was tried in court over the scam, together with businessman Seah Say Yoong, 72, and his son Seah Chin Yew, 36, then managing director of another company, WizOffice.

In December 2001, needing to raise funds, GNR sold 9.875 million WizOffice shares that it owned to Seah Holdings, a real estate company held by the elder Seah.

The shares appeared to have been sold at the then market price of 4.5 cents apiece. But they were actually sold at 3 cents per share.

The arrangement was for GNR to privately pay the \$150,000 discount to Seah Holdings.

Chua made out the cheque for \$150,000 to the younger Seah's air stewardess girlfriend Yee Lee Fen.

In turn, Ms Yee issued a blank personal cheque and gave it to her boyfriend, who wrote it out to Seah Holdings.

Instigated by the younger Seah, Chua recorded the payment in GNR's books as advisory services provided by Ms Yee. Later, she changed the entry to make it the repayment of a loan.

In the books of Seah Holdings, the cheque was recorded as a repayment of a loan from the younger Seah.

After the scam was uncovered, the younger Seah and Chua faced two charges each over faking GNR's books. The elder Seah faced one charge of getting an employee to falsify the books of Seah Holdings.

All three faced a share-rigging charge.

The joint trial began in April 2007.

In November 2007, Chua was acquitted of share rigging, while the two men were each fined \$150,000 for their roles in it.

The elder Seah was acquitted of falsifying the books, but Chua and the younger Seah were both fined \$10,000 for the first false entry - Chua for making it and Seah for instigating her.

However, they were both acquitted of the second charge of changing the entry, based on the testimony of GNR auditors, who said it was not illegal to reclassify the payment, had the necessary documentation been present.

Both sides - the three convicted and the prosecution - appealed against the decisions. The appeals were argued in January.

Yesterday, Justice Choo Han Teck dismissed the appeals brought by Chua and the Seahs.

He allowed the prosecution's appeal against acquitting Chua and the younger Seah for falsifying GNR's books, and fined them each \$10,000.

In his written judgment, Justice Choo disagreed with the trial court's decision to acquit Chua and the younger Seah for the second offence.

He said the reclassification of the \$150,000 as a repayment of a loan amounted to another instance of deceit.

As the first classification had been done wilfully with the intention to defraud, it followed likewise for the second classification.

Yesterday, Chua frowned briefly at the verdict, but was otherwise calm.

When The Straits Times approached her for comment, she said she was relieved that "it's all over". Asked about her employment, she said she was not working and was "taking it easy" at the moment.

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