

5/82

IN THE JUDICIAL COMMITTEE
OF THE PRIVY COUNCIL

No. 18 of 1980

O N A P P E A L
FROM THE COURT OF APPEAL IN SINGAPORE
(CIVIL APPEAL)

B E T W E E N :

TAN CHOON CHYE

Appellant

- and -

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

RECORD OF PROCEEDINGS

Charles Russell & Co.,
Hale Court,
Lincoln's Inn,
London WC2A 3UL.

Solicitors for the Appellant

Messrs. Coward Chance,
Royex House,
Aldermanbury Square,
London EC2V 7LD.

Solicitors for the Respondents

O N A P P E A L
FROM THE COURT OF APPEAL IN SINGAPORE
(CIVIL APPEAL)

B E T W E E N :

TAN CHOON CHYE

Appellant

- and -

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

RECORD OF PROCEEDINGS

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Notice of Motion for leave to Appeal to the Privy Council	29th January 1980
Affidavit of the Appellant in support of Notice of Motion to Appeal to the Privy Council	28th January 1980

O N A P P E A L
FROM THE COURT OF APPEAL IN SINGAPORE
(CIVIL APPEAL)

B E T W E E N :

TAN CHOON CHYE Appellant

- and -

SINGAPORE SOCIETY OF ACCOUNTANTS Respondents

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RECORD OF PROCEEDINGS

BEFORE DISCIPLINARY COMMITTEE

No. 1

Report of the Investigation Committee and Letter
from the Corrupt Practices Investigation Bureau
and enclosures

Disciplinary
Committee

No. 1

Report of the
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SINGAPORE SOCIETY OF ACCOUNTANTS

16th March, 1977

To the Disciplinary Committee

20

re: TAN CHOON CHYE OF M/S TAN CHOON CHYE &
COMPANY

16th March 1977

(1) By a letter dated 1st April, 1976, the Director of CPIB made a formal complaint against the abovenamed for acting as the "go-between" to bribe an officer of the Economic Development Board. His letter was accompanied by a Summary of Essential Facts.

(2) We have investigated into the matter and we have determined that this is a matter that should be referred to the Disciplinary Committee.

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(3) We attach herewith copies of the letter of the Director of CPIB and its enclosures for the information of the Disciplinary Committee.

(4) It is the opinion of the Investigation Committee that

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there is prima facie evidence for Mr. Tan Choon Chye to answer the charge of having committed grave impropriety or infavour conduct in a professional respect in the performance of his professional duties that is discreditable to an accountant so as to render the exercise of the power of the Disciplinary Committee expedient in the interest of the public or of the Society.

Signed:-

Alvin Chee Yoon Cheng,
Chairman
Investigation Committee.

Signed:-

Steven Tan Chee Chuan
Member.

10

Signed:-

Wong Hoo Tung
Member.

CORRUPT PRACTICES INVESTIGATION BUREAU.

CPIB IP 57/75.

1 Apr 1976.

The Registrar,
Singapore Society of Accountants,
Amber Mansions,
SINGAPORE, 9.

20

Dear Sir,

TAN CHOON CHYE OF M/S TAN CHOON CHYE & CO.

Enclosed herewith is a copy of Summary of Essential Facts which is self-explanatory.

2. It would appear from the results of our investigation that the said Tan Choon Chye, an accountant of M/s Tan Choon Chye & Co., did collect \$50,000-00 from Lou Chih Chung, an Industrialist, and give the money as a bribe to Wan Ming Sing, a Project Officer of EDB for considering his application for registration under the Control of Manufacture Act for the manufacture of synthetic knitted garments, knitted fabric and texturised yarn and Tan Choon Chye has admitted so in a statement made by him.

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3. Wan Ming Sing also obtained bribes through Tan Choon Chye from :-

a)	Fong Kou Hwa	-	\$5,000-00
b)	Fong Kou Hwa	-	\$1,500-00
c)	Fong Kou Hwa	-	<u>\$2,500-00</u>
			<u>\$9,000-00</u>

4. Wan Ming Sing, the Project Officer of EDB, who received bribes was charged in Court No. 5 and was convicted and sentenced to 1 year's imprisonment for receiving \$50,000-00 and also was ordered to pay a penalty of \$50,000-00 in default to undergo a further 6 months' imprisonment. The other 3 charges were withdrawn.

5. Your Society may wish to take action against Tan Choon Chye who acted as the go-between for the purpose of obtaining the bribes and giving them to Wan Ming Sing.

10 6. I should be grateful if you would let me know results in due course.

Yours faithfully,

Signed :-

P. RAJARATNAM,
DIRECTOR, CPIB.

ENCL.

CPIB IP 57/75

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SUMMARY OF ESSENTIAL FACTS

20 Subject : Tan Choon Chye of
M/s Tan Choon Chye & Co.

Offence: Corruptly obtaining gratification
totally \$59,000/- from M/s Yung
Wah Industrial Co. Pte. Ltd. for
Wan Ming Seng, a Project Officer
of Economic Development Board

30 Sometime in Nov 74, the Bureau received information that Wan Ming Seng, BA Hons (Melbourne), MA (University of Malaya) whilst employed as a Project Officer in EDB (from 23.8.67 to 20.11.74) in charge of textile industry, had received gratification from several foreign textile industrialists through an accountant Tan Choon Chye in return for favours shown in the processing of their project proposals in Singapore.

2. Investigations by CPIB revealed that subject is a duly qualified accountant and is registered with the Singapore Society of Accountants. Consequently, subject when questioned by the CPIB on 3.1.75 admitted that he had collected bribes on

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behalf of Wan Ming Seng from some textile investors including those of M/s Yung Wah Industrial Co. (Pte.) Ltd.

3. M/s Yung Wah Industrial Co. (Pte.) Ltd., a textile factory, was incorporated in Singapore on 28.12.71. It was established by M/s Yung Wah Knitting Factory Co. Ltd. of Taiwan and a group of 14 Taiwanese investors who were later granted permanent residence in Singapore under the \$250,000/- deposit scheme. The main promoter of this project was Lou Chih Chung, the Chairman of this company. On 27.10.71 prior to the actual incorporation, the company submitted to EDB an application for registration under the Control of Manufacture Act for the manufacture of synthetic knitted garments, knitted fabric and texturised yarn. The application was submitted on behalf of the company by M/s Tan Choon Chye & Co., a firm of public accountants in Singapore. As Wan Ming Seng was then in charge of textile industry, he was subsequently assigned to process the application. On 29.11.71 the application was approved by the Registrar of Manufacturers through the recommendation of Wan Ming Seng. A letter of approval dated 4.12.71 was then issued to the company by Yeo Seng Teck, the Deputy Registrar of Manufacturers cum Chief of the Projects Division/EDB.

10

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4. Investigations disclosed that prior to the submission of the application for registration, Lou Chih Chung and subject had sometime in Oct. 71, called on Wan Ming Seng in EDB office to discuss on the proposed project. After this meeting, Wan Ming Seng informed subject that if Lou Chih Chung could offer him a reward of \$50,000, he would consider the application for registration favourably. Subject subsequently conveyed the demand to Lou Chih Chung who agreed to make the payment. It was from that subject proceeded to put up and forwarded the application for registration of the company to the EDB. On 6.12.71, after receiving the letter of approval from EDB, Lou Chih Chung consequently issued a cheque for a sum of \$50,000/- drawn on the account of his friend Hsiah Wei Liang with Hongkong & Shanghai Bank, Collyer Quay. Earlier on he had been authorised by Hsiah Wei Liang to sign cheques drawn on this account. After cashing the cheque, Lou Chih Chung handed the \$50,000/- to subject to be paid to Wan Ming Seng. Subject subsequently contacted Wan Ming Seng who then called at his office at 32B, South Bridge Road and collected the \$50,000 from subject personally.

30

40

5. Under the \$250,000 deposit scheme, a foreign investor

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could apply to EDB for permanent residence in Singapore and on approval, he has to deposit with the Accountant-General a sum of \$250,000. The investor could subsequently apply to EDB to have this sum refunded and be used for investment purposes on any industrial project approved by EDB. In this case all the 14 investors were granted permanent residence in Singapore under this scheme in 1972 and 1973. They followed up by applying to EDB for the release of their deposits to be invested in the company. All these applications for release of funds, which were done in batches, were submitted on their behalf by Tan Choon Chye & Co. Wan Ming Seng, being the officer-in-charge of textile industry, was responsible for the evaluation work.

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6. EDB first received applications on 18.9.72 for the release of deposits of \$250,000 each from the following 4 shareholders of the company :

- a. Lou Chih Chung
- b. Fong Kou Hwa
- c. Fan Li Ming
- d. Man Wei Yuen

Wan Ming Seng was assigned on 23.9.72 to process these four applications by Dr Lim Chuan Poh, the Principal Project Officer. On 28.9.72 Wan Ming Seng submitted a draft report recommending approval for these 4 applications and also approval in principle for the release of the deposit money of the remaining 10 shareholders of the company. On 2.10.72 Dr Lim Chuan Poh finalised the report and submitted it to the Minister of Finance, through Director EDB for his consideration. The Minister finally gave his approval on 11.10.72 and subsequently a sum of \$1 million in respect of these 4 applications was disbursed to the company on 17.10.72.

7. On 10.11.72 EDB received another 3 applications for the release of the deposits of \$250,000 each from the following 3 shareholders of the said company forwarded through M/s Tan Choon Chye & Co. :

- a. Chang Chun Tsang
- b. Chi I Chung
- c. Lou Hai Long

On 21.11.72, Wan Ming Seng was assigned to evaluate these 3 applications. Subsequently on 1.12.72 Director EDB approved these 3 applications through the recommendation of Wan Ming Seng and also because of the fact that

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approval in principle had previously been granted by the Minister when approving the earlier first 4 applications. On the instruction of Dr Lim Chuan Poh, only a sum of \$200,000 was released to each of the 3 applicants for investment in the company on 8.12.72 and \$50,000 each was retained pending final disbursement.

8. Another 2 applications were received by EDB on 7.2.73 from the following 2 shareholders of the company forwarded through M/s Tan Choon Chye & Co. for the release of their deposits of \$250,000 each for investment in the company :

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- a. Chang Yu-Tian
- b. Chang En-Fu

On 17.2.73 Wan Ming Seng was assigned to evaluate these 2 applications. Subsequently on 16.4.73 Director EDB approved these 2 applications through the recommendation of Wan Ming Seng. Similarly a sum of \$200,000 each was later released to the two applicants on 24.4.73 for investment in the company whilst a sum of \$50,000 each was withheld temporarily.

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9. On 12.10.73 EDB received another 3 applications forwarded through M/s Tan Choon Chye & Co. from the following shareholders for the release of their deposits of \$250,000 each for investment in the company :

- a. Chow Hsiao Fang
- b. Pan Chun New
- c. Lou Hai Ling

On 27.10.73 Wan Ming Seng was assigned to evaluate these 3 applications. Subsequently on 19.4.74 Director EDB approved these applications on the recommendation of Wan Ming Seng. A sum of \$200,000 each was released to the 3 applicants on 19.4.74 for investment in the company with \$50,000 each being withheld temporarily. On 7.4.75 EDB eventually disbursed to the company a total sum of \$400,000/-, being the total sum withheld in respect of the last 8 applications.

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10. Investigation by the Bureau disclosed that sometime in Sept 72 after receiving the first 4 applications for release of fund, Wan Ming Seng informed subject that if each of these 4 applicants and also the subsequent applicants if any, would give him a reward of \$1,250/- each, he would process their applications expeditiously. The reward is equivalent to 0.5% of the deposit of \$250,000 each to be

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released. Subject subsequently conveyed the demand of Wan Ming Seng to Fong Kou Hwa, the Managing Director of the company who acceded to the demand. He did so as the company was then in need of funds.

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10 11. Subsequently in Oct 72 after the deposits of \$250,000/- each of the first 4 applicants were released to the company, on 8.12.72, Fong Kou Hwa handed a sum of \$5,000 to subject to pay Wan Ming Seng. Subject later contacted Wan Ming Seng who then called at subject's office where he collected the money from subject.

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20 12. When the deposits of \$200,000/- each in respect of another 3 applicants, namely Chang Chun Tseng, Chi I Chung and Lou Hai Long were released to the company on 8.12.72, Fong Kou Hwa became reluctant to give subject the reward amounting to \$3,000 ie 0.5% of the total sum of \$600,000/- to be paid to Wan Ming Seng. He requested subject to ask Wan Ming Seng to reduce the reward to half. Subject subsequently contacted Wan Ming Seng who then agreed to the suggestion. Consequently sometime in Feb 73 Fong Kou Hwa handed a sum of \$1,500 to subject to be handed over to Wan Ming Seng. Later, Wan Ming Seng called at subject's office where he collected the money from subject.

30 13. When the fund of \$200,000/- each in respect of the other 2 shareholders Chang Yu-Tian and Chang En Fu was released to the company on 24.4.73, Fong Kou Hwa did not pay any reward to Wan Ming Seng despite several reminders from subject who was asked by Wan Ming Seng. It was only sometime in June 74 after the last 3 applications of Chow Hsiao Fang, Pan Chun New and Lou Hai Ling had been approved by EDB that Fong Kou Hwa paid the rewards in respect of these 5 applications. The payment was \$2,500 being 0.25% of the total sum of \$1 million released in respect of these 5 applications. On this particular occasion, Fong Kou Hwa instructed Ang Ho Seng, the Personnel Officer of the company to deliver the money to Tan Choon Chye. Subject subsequently contacted Wan Ming Seng who then called at his office and collected the money from subject.

40 14. Wan Ming Seng was subsequently charged in Court under Section 6(a) of the Prevention of Corruption Act (Cap 104) on the following charges :

- a. that sometime in Dec 71 he corruptly obtained through Tan Choon Chye from Lou Chih Chung a gratification of \$50,000/-;

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- b. that sometime in Oct 72 he corruptly obtained through Tan Choon Chye from Fong Kou Hwa a gratification of \$5,000/-;
- c. that sometime in Feb 73 he corruptly obtained through Tan Choon Chye from Fong Kou Hwa a gratification of \$1,500/-;
- d. that sometime in June 74 he corruptly obtained through Tan Choon Chye from Fong Kou Hwa a gratification of \$2,500/-.

On 26.12.75 Wan Ming Seng pleaded guilty to the first charge at District Court No. 5. He was sentenced to 1 year's imprisonment and also ordered by the District Judge to pay a penalty of \$50,000/- within one month in default of which he is to serve a further 6 months' imprisonment. Since Wan Ming Seng had been punished, the prosecution decided to withdraw the remaining three charges against Wan. It is to be noted that Wan in his mitigation through his counsel, alleged that subject had taken half the share of the \$50,000 obtained from Lou Chih Chung. This allegation was, however, denied by subject (Tan Choon Chye).

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LEE KWANG PAI
AG CHIEF SPECIAL INVESTIGATOR
CPIB

/ask

1st Charge

DAC No. 1532/75

CHARGE

YOU WAN MING SING are charged that you, sometime in August, 1972 at No. 32-B, South Bridge Road, Singapore, being an agent, to wit, a project officer in the employment of the Economic Development Board, Singapore, corruptly obtained through one Tan Choon Chye from one Sung Chung Yao @ Zong Yan Song, Managing Director of M/s. Tai Shine Industrial Co. (Pte) Ltd. for yourself a gratification of a sum of Dollars Ten thousand (\$10,000/-) as a reward for showing favour to the said M/s. Tai Shine Industrial Co. (Pte) Ltd. in relation to your principal's affairs, to wit, by giving favourable consideration to an application submitted by the said Company to the Economic Development Board for registration under the Control of

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Manufacture Act and you have thereby committed an offence punishable under Section 6(a) of the Prevention of Corruption Act (Cap. 104).

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Sd. Ng Kit Hong
Ag. Senior Special Investigator
Corrupt Practices Investigation
Bureau, Singapore. 13/6/75

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2nd Charge

DAC No. 1533/75

CHARGE

16th March 1977

continued

10 You Wan Ming Sing are charged that you, sometime
in May 1973, at No. 32-B, South Bridge Road, Singapore,
being an agent, to wit, a project officer in the employment
of the Economic Development Board, Singapore, corruptly
obtained through one Tan Choon Chye from one Sung Chung
Yao @ Zong Yan Song, Managing Director of M/s. Tai
Chine Industrial Co. (Pte.) Ltd. for yourself a gratifica-
tion of a sum of Dollars Five thousand (\$5000/-) as a
reward for showing favour to your principal's affairs, to
wit, by giving favourable consideration to application sub-
mitted by the said Company to the Economic Development
20 Board for registration under the Control of Manufacture
Act and you have thereby committed an offence punishable
under Section 6(a) of the Prevention of Corruption Act
(Cap. 104).

Sd. Ng Kit Hong
Ag. Senior Special Investigator
Corrupt Practices Investigation
Bureau, Singapore. 13/6/75

3rd Charge

DAC No. 1534/75

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CHARGE

 You Wan Ming Sing are charged that you, sometime
in December 1973, at No. 32-B, South Bridge Road,
Singapore, being an agent, to wit, a project officer in the
employment of the Economic Development Board, Singapore,
corruptly obtained through one Tan Choon Chye from one
Sung Chung Tao @ Zong Yan Song, Managing Director of
M/s. Tai Chine Industrial Co. (Pte) Ltd. for yourself a
gratification of a sum of Dollars Five thousand (\$5000/-)
as a reward for showing favour to M/s. Tai Chine Industrial
40 Co. (Pte) Ltd. in relation to your principal's affairs, to wit,

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but giving favourable consideration to applications submitted by four shareholders of the said Company to the Economic Development Board for the release of the deposits totalling \$1,100,000/- for investment in the said Company and you have thereby committed an offence punishable under Section 6(a) of the Prevention of Corruption Act (Cap.104).

Sd. Ng Kit Hong
Ag. Senior Special Investigator
Corrupt Practices Investigation
Bureau, Singapore. 13/6/75.

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Attorney General's Chambers,
High Street,
Singapore, 6.

CONSENT OF THE PUBLIC PROSECUTOR
under
THE PREVENTION OF CORRUPTION ACT

I, Abdul Wahab Ghowe, Solicitor General, Singapore, in exercise of the powers conferred on me by Section 333(2) of the Criminal Procedure Code (Chapter 113) and of all other powers hereunto me enabling, do hereby, by virtue of Section 31 of the Prevention of Corruption Act (Cap. 104), consent to the prosecution of one Wan Ming Sing, an agent, on three charges of corruptly obtaining a gratification as a reward for showing favour in relation to his principal's affairs, an offence punishable under Section 6(a) of the Prevention of Corruption Act (Chapter 104) committed -

- (1) Sometime in August, 1972
- (2) Sometime in May, 1973
- (3) Sometime in December 1973

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at No. 32-B, South Bridge Road, Singapore.

And I do hereby designate any District Court in Singapore to be the Court of Trial.

Dated at Singapore this 11th day of June, 1975.

Abdul Wahab Ghowe
Solicitor General,
Singapore.

1st Charge

DAC 1307/75

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You WAN MING SING

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continued

10 are charged that you, sometime in December, 1971 at 32-B, South Bridge Road, Singapore, being an agent, to wit, a Project Officer in the employment of the Economic Development Board, Singapore, corruptly obtained through one Tan Choon Chye from one Lou Chih Chung, Chairman of Messrs. Yung Wah Industrial Co. (Pte.) Ltd., for yourself a gratification of a sum of Dollars Fifty thousand (\$50,000) as a reward for showing favour to the said Messrs. Yung Wah Industrial Co. (Pte.) Ltd. in relation to your principal's affairs, to wit, by giving favourable consideration to an application submitted by the said Company to the Economic Development Board for registration under the Control of Manufacture Act, and you have thereby committed an offence punishable under Section 6(a) of the Prevention of Corruption Act (Chapter 104).

20 Sd. Ng Kit Hong
Ag. Senior Special Investigator
Corrupt Practices Investigation
Bureau, Singapore.

2nd Charge

DAC 1308/75

You WAN MING SING

30 are charged that you, sometime in October, 1972 at 32-B, South Bridge Road, Singapore, being an agent, to wit, a Project Officer in the Employment of the Economic Development Board, Singapore, corruptly obtained through one Tan Choon Chye from one Fong Kou Hwa, Managing Director of Messrs. Yung Wah Industrial Co. (Pte.) Ltd., for yourself a gratification of a sum of Dollars Five thousand (\$5,000) as a reward for showing favour to the said Messrs. Yung Wah Industrial Co. (Pte.) Ltd. in relation to your principal's affairs, to wit, by expediting the processing of applications submitted by four shareholders of the said company to the Economic Development Board for the release of their deposits of \$250,000/- each for investment in the said company, and you have thereby committed an offence punishable under Section 6(a) of the Prevention of Corruption Act (Chapter 104).

40 Sd. Ng Kit Hong
Ag. Senior Special Investigator
Corrupt Practices Investigation
Bureau, Singapore.

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3rd Charge

DAC 1309/75

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16th March 1977

continued

You WAN MING SING

are charged that you, sometime in February, 1973 at 32-B, South Bridge Road, Singapore, being an agent, to wit, a Project Officer in the employment of the Economic Development Board, Singapore, corruptly obtained through one Tan Choon Chye from one Fong Kou Hwa, Managing Director of Messrs. Yung Wah Industrial Co. (Pte.) Ltd. for yourself a gratification of a sum of Dollars one thousand and five hundred (\$1500/-) as a reward for showing favour to the said Messrs. Yung Wah Industrial Co. (Pte.) Ltd. in relation to your principal's affairs, to wit, by expediting the processing of applications submitted by three shareholders of the company to the Economic Development Board for the release of their deposits of \$250,000/- each for investment in the said company, and you have thereby committed an offence punishable under Section 6(a) of the Prevention of Corruption Act (Chapter 104). 10

Sd. Ng Kit Hong
Ag. Senior Special Investigator
Corrupt Practices Investigation
Bureau, Singapore. 20

4th Charge

DAC 1310/75

You WAN MING SING

are charged that you, sometime in June, 1974 at 32-B, South Bridge Road, Singapore, being an agent, to wit, a Project Officer in the employment of the Economic Development Board, Singapore, corruptly obtained through one Tan Choon Chye from one Fong Kou Hwa, Managing Director of Messrs. Yung Wah Industrial Co. (Pte.) Ltd. for yourself a gratification of a sum of Dollars Two thousand and five hundred (\$2500/-) as a reward for showing favour to the said Messrs. Yung Wah Industrial Co. (Pte.) Ltd. in relation to your principal's affairs, to wit, by expediting the processing of applications submitted by five shareholders of the company to the Economic Development Board for the release of their deposits of \$250,000/- each for investment in the said company, and you have thereby committed an offence punishable under section 6(a) of the Prevention of Corruption Act (Chapter 104). 30 40

Sd. Ng Kit Hong
Ag. Senior Special Investigator
Corrupt Practices Investigation
Bureau, Singapore. 22nd May, 1975.

Attorney-General's Chambers,
High Street,
Singapore, 6.

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CONSENT OF THE PUBLIC PROSECUTOR
under
THE PREVENTION OF CORRUPTION ACT
(Chapter 104)

Report of the
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10 I, TAN BOON TEIK, Attorney-General and Public
Prosecutor, Singapore, in pursuance of the powers con-
ferred on me by section 31 of the Prevention of Corruption
Act and of all other powers hereunto me enabling, do
hereby consent to the prosecution of one WAN MING SING
on four charges of corruptly obtaining, as an agent,
gratifications as a reward for showing favour in relation
to his principal's affairs, punishable under Section 6(a)
of the Prevention of Corruption Act (Chapter 104) com-
mitted -

- 20 (1) Sometime in the month of December, 1971;
(2) Sometime in the month of October, 1972;
(3) Sometime in the month of February, 1973;
and
(4) Sometime in the month of June, 1974

at 32-B, South Bridge Road, Singapore.

And I do hereby designate any District Court in
Singapore to be the Court of Trial.

Dated at Singapore this 16th day of May, 1975.

Magistrate Court No. 1

Sd. Tan Boon Teik
Attorney-General and
Public Prosecutor,
Singapore.

30 Exhibit 'A'

Date 22nd May, 1975

Sd. illegible
Magistrate.

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continued

The accused was a Project Officer with the Economic Development Board from August 1967 until his resignation on 20 November 1974.

2. On 28th December, 1971 a textile factory, Messrs. Yung Wah Industrial Co. (Pte) Ltd. was incorporated in Singapore. It was promoted by Messrs. Yung Dah Knitting Factory Co. Ltd. of Taiwan and a group of 14 Taiwanese investors. The main promoter of this enterprise was one Lou Chih Chung, the Managing Director of Yung Dah Knitting Factory Co. Ltd. On incorporation of Messrs. Yung Wah Industrial Co. (Pte) Ltd., Lou Chih Chung became the Chairman of the company.

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3. On 27th October, 1971, prior to the actual incorporation, Messrs. Yung Wah Industrial Co. (Pte) Ltd., submitted an application for registration under the Control of Manufacture Act (Chapter 241) to the Economic Development Board for permission and approval to manufacture synthetic knitted garments, knitted fabrics and texturised yarn. This application was submitted through a firm of public accountants known as Tan Choon Chye & Co. operating at No. 32B South Bridge Road. The accused was then the Project Officer at EDB in charge of the textile industry and was therefore assigned the task of processing the application by his superior, the Deputy Registrar of Manufacturers cum Chief Project Officer of the Economic Development Board.

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4. Investigations disclosed that prior to the submission of the application under the Control of Manufacture Act, the Chairman of Messrs. Yung Wah Industrial Co. (Pte) Ltd., Lou Chih Chung and one Tan Choon Chye of the said firm of public accountants had sometime in October 1971 called on the accused at his office in the Economic Development Board to discuss the said application. There followed a series of meetings between the accused, Lou Chih Chung and Tan Choon Chye. At one of the meetings between only the accused and Tan Choon Chye in October 1971 at the accused's office, it was agreed that Tan Choon Chye would approach Lou Chih Chung and inform him that if he could offer a sum of \$50,000/- to the accused, the application for registration by Messrs. Yung Wah Industrial Co. (Pte) Ltd. will be favourably considered. Tan Choon Chye subsequently conveyed the request to Lou Chih Chung who agreed to make the payment. It was only

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after these preliminary meetings with the accused that Tan Choon Chye prepared an application and forwarded the same to the Economic Development Board on 27th October, 1971 for registration of the company under the Control of Manufacture Act.

Disciplinary
Committee

No. 1

Report of the
Investigation
Committee and
Letter from the
Corrupt Practices
Investigation
Bureau and
enclosures

16th March 1977

continued

5. On 18th November, 1971, the accused submitted a Report to the Registrar of Manufacturers who was also the Chairman of the Economic Development Board recommending approval of the application. On 29th
10 November, 1971, the application was approved. The letter of approval dated 4th December, 1971 was received by the said company on 6th December, 1971.

6. On the 6th December, 1971 Lou Chih Chung issued a HongKong and Shanghai Bank Cheque No. 532257 dated 6th December, 1971 drawn on the account of his friend Hsiah Wei Liang for a sum of \$50,000/-. After cashing the cheque Loh Chih Chung handed this sum of \$50,000/- to Tan Choon Chye to be paid to the accused. On receipt
20 of the \$50,000/- Tan Choon Chye contacted the accused who then called at his office at 32B South Bridge Road where the accused collected the money personally from Tan Choon Chye.

7. The accused was arrested by Ag Chief Special Investigator Ng Kit Hong of the Corrupt Practices Investigation Bureau on 22nd May, 1975 and charged at the then 1st Magistrate's Court on the same day.

No. 2

Letter from the Registrar of the Respondents to
the Appellant

No. 2

Letter from the
Registrar of the
Respondents to
the Appellant

28th June 1977

30 SINGAPORE SOCIETY OF ACCOUNTANTS

CONFIDENTIAL

Mr. Tan Choon Chye, PAS.,
Room 1110, 11th Floor,
Golden Mile Tower,
6001 Beach Road,
SINGAPORE, 7.

28th June, 1977.

Dear Sir,

re: COMPLAINT MADE BY THE DIRECTOR OF CPIB

40 I am directed by the Disciplinary Committee to inform you that the Investigation Committee of the Society has, after

Disciplinary
Committee

No. 2

Letter from the
Registrar of the
Respondents to
the Appellant

28th June 1977

continued

investigation into the above complaint, recommended that the matter be referred to the Disciplinary Committee for a full inquiry.

I enclose herewith for your information: a copy of the report of the Investigation Committee. You have already been supplied with a copy of the complaint of CPIB.

I am therefore directed to inform you that the Disciplinary Committee has deemed fit to hold an inquiry into the complaint made against you by the Director of CPIB.

The charge against you is that you acted as an intermediary in your capacity as a practising accountant in connection with a bribery offence, to wit, you collected \$50,000-00 from one Lou Chih Chung, an Industrialist, and gave this money as a bribe to Wan Ming Sing, a Project Officer of The Economic Development Board as a favour for showing consideration for an application for registration under the Control of Manufacture Act, thereby committing grave impropriety infamous conduct in a professional respect in the performance of your professional duties that is dis-creditable to an accountant so as to render the exercise of the power of the Disciplinary Committee expedient in the interest of the public or of the Society. 10
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The Disciplinary Committee will conduct a full inquiry on the 12th day of July, 1977 commencing at 10.30 a.m. at the Library of the Society at Room 3, 15-B Amber Mansions, Orchard Road, Singapore 9.

You are required to attend this meeting and you may be represented by Counsel.

Kindly let us know within the next few days :-

- (a) Whether or not you admit to the charge; 30
- (b) the name of your Counsel, if any.

If the charge is not admitted by you, then a full inquiry will be conducted and the Society will have to engage Counsel to present the evidence. We draw your attention to section 34 (especially subsection 3(e)) of the Accountants Act, Chapter 212.

Kindly acknowledge receipt of this letter.

Yours faithfully,

Signed:-
S.P. NG
REGISTRAR.

SPN/mw.

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No. 3
Notes of Proceedings

Disciplinary
Committee

No. 3

SINGAPORE SOCIETY OF ACCOUNTANTS

26th July, 1977.

10.30 a.m.

Disciplinary Committee

Notes of
Proceedings

26th July 1977

TAN CHOON CHYE

MR. KON YUEN KONG - Chairman)
MR. CHUA KIM YEOW) Committee
10 MR. LIM SOO GUAN)

MR. TAN HEE CHAI arrived immediately after the hearing was postponed.

MR. NG SONG PIAK - Registrar

MR. C.L. BATCHELOR - Consultant

MR. LIM CHOR PEE - Legal Adviser

MR. K.E. HILBORNE for Accountant concerned.

The meeting was called to order when all parties present had been introduced.

20 The Chairman then asked the accountant concerned if he admitted the charge.

Mr. Hilborne: He is denying the charge. Let's put it this way - He is not admitting the charge.

Chairman: I suppose we will have to adjourn today's hearing to another date for a full hearing?

30 Mr. Hilborne: I heard about this yesterday. I must say I am a bit surprised. Frankly we have come here this morning to meet the charge because on the papers which I have been given, that is the impression I got. Yesterday, as you no doubt been heard by Mr. Lim Chor Pee, he telephoned me and I gathered this is not the case in the event which has happened to my client not admitting the charge.

Chairman: The hearing will not be going on this morning.

Disciplinary
Committee

—
No. 3

Notes of
Proceedings

26th July 1977
continued

Mr. Hilborne: I would stand to reason for this quite well. The law says its a rather ironic situation because as a matter of fact you may know from the correspondence that I have applied for an adjournment which was declined. At any rate, I have nothing more to say about that if you are going to adjourn the hearing.

Mr. Lim Chor Pee: Obviously we have to ask for the case to be proved as I told you yesterday. We have to appoint a Prosecutor - another solicitor to present the facts - if the facts can be proved - since they are not being admitted.

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Chairman: So in that case, would you agree to adjourn the case to another date.

Mr. Lim Chor Pee: You can fix a date now convenient to Mr. Hilborne.

Mr. Hilborne: Well, I haven't but I can tell you this. I don't know what date you are fixing. My diary is fairly free after August or say the middle of September.

Mr. Lim Chor Pee: The Chairman will be away ?

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Chairman: I'll be back by then.

Mr. Hilborne: You will be back by the middle of September ?

Chairman: Yes.

Mr. Lim Chor Pee: We better fix a tentative date now that we are all here.

Chairman: Make it a Tuesday, 13th September 1977.

Mr. Lim Chor Pee: We better fix more than a day. I do not know how long the presentation of facts will take and how many names are mentioned in the report.2

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Mr. Hilborne: As far as I can see we have about 5 witnesses.

Mr. Lim Chor Pee: Do you think you would strenuously be required to examine them ?

Mr. Hilborne: I doubt it. But on the other hand, I would suggest that we reserve 3 days safely.

Mr. Lim Chor Pee: The other problem is we are all professional people and members of the Committee could be very busy with meetings and so on. Shall we make it in succession three days or should you be prepared to do it in the afternoons or mornings half day to give members of the Committee an opportunity to do some of their work.

Disciplinary
Committee

No 3

Notes of
Proceedings

26th July 1977

continued

Mr. Hilborne: Will three half days be enough ?

10 Mr. Lim Chor Pee: If we can't then we will have to adjourn again. That would be fairer to the Committee.

Mr. Hilborne: Yes. I would suggest that we start at 9.30 in the morning to 1.00 p.m.

The parties agreed to the following tentative dates for the hearing -

13th, 14th and 15th September, 1977 at 9.30 a.m. for 3 half days.

20 Mr. Hilborne: I just like to confirm these dates as I did not bring my diary.

Mr. Lim Chor Pee: This is subject to confirmation. In any case it should not be earlier than 13th September, 1977, if there is any change.

The hearing was adjourned.

No. 4

Notes of Evidence

SINGAPORE SOCIETY OF ACCOUNTANTS

13th September, 1977
9.30 a.m.

Disciplinary Committee

Tan Choon Chye S34(1)(b) Cap. 212

Mr. Kon Yuen Kong - Chairman)
Mr. Chua Kim Yeow - Member) Disciplinary
Mr. Lim Soo Guan - Member) Committee

Mr. Ng Song Piak - Registrar
Mr. C.L. Batchelor - Assisting the Registrar
Mr. Lim Chor Pee - Legal Adviser to D.C.
Mr. Allen Wong - Counsel for Society

No. 4

Notes of
Evidence

13th September
1977

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Disciplinary
Committee

—
No. 4

Notes of
Evidence

13th September
1977

continued

Mr. K.E. Hilborne for Accountant concerned.

Mr. Hilborne: Mr. Chairman, I wish to make or rather take two preliminary points. The first one concerns the existence and extent of your powers to adjudicate on this or indeed any other matter concerning a member of your Society. I don't know whether this point had been taken before but in view of the provisions of the Act it's a point I'm bound to take and no doubt Mr. Lim Chor Pee will then advise after I have made my submission on what you should do. Briefly, I submit that it is open to doubt to put it at its lowest what your powers as a disciplinary committee are. If you look at section 6 of your Act, it sets out the purposes of the Society - those purposes are to register accountants and regulate the practice of the profession of accountancy in Singapore - to provide for the training, education and examination etc. to determine the qualifications of persons; to promote the interest of the profession; to grant prizes and scholarships; to grant pecuniary or other assistance to members of the Society etc. etc. No where is there spelt out, as I would have expected it, any provision regarding the disciplinary powers of the Society in relation to the conduct of its members. Then if you look at section 7. It stipulates what the powers of the Society are, general powers, and again there is no reference at all to any question of discipline, which is very surprising, since the other statutory provisions regarding the other professions spell out these powers quite clearly with some exactitude. Now if I am right about this, oh I should just mention I suppose section 8 which refers to the Rules of the Society and it does refer there to the procedure of the Investigation Committee and the Disciplinary Committee, that's in (1) - section 8 (1) (1). Of course if there is no substantive authority for you to take disciplinary measures against members of your Society then the fact that there is a provision which allows the making of rules does not help you at all so that section does not give you any powers. It only enables you to make rules where the power exists. Now, if I am right about that, the later provisions which refer to the Investigation Committee and the Disciplinary Committee of course they would be ultra vires because if there is no power at all in you under the Act to conduct these proceedings, the fact that there is another section which refers to the Disciplinary Committee with its underlying assumption that there is power to conduct disciplinary proceedings, those sections to my submission wouldn't have any effect at all. You have first of all to see whether the Society has any power and my submission is,

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I am not saying it's a matter of interpretation upon which you will have to be advised. My submission is that in the absence of any specific and clear power vested in the Society to conduct disciplinary proceedings, you are sitting here today without any real authority.

Disciplinary
Committee

—————
No. 4

Notes of
Evidence

13th September
1977

continued

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Mr. Chua: Would you look at section 6(a) the purposes of the Society "to register and to regulate the practice of the profession of accountancy" in Singapore. To regulate it means the power to conduct disciplinary proceedings.

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Mr. Hilborne: Well it depends whether the words "regulate the practice" are wide enough to govern bad practice. It is also a question of strictness of interpretation. I would have thought that anyone who is facing charges brought against him entitled to insist on a strict interpretation and if there is any doubt about what those words mean they should be interpreted in his favour. My submission is that to regulate the practice those words are not wide enough to encompass a whole lot of Disciplinary proceedings.

Mr. Chua: Then, how do you regulate the profession ?

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Mr. Hilborne: Well as I say there are plenty of rules you can make for regulating the profession. One has only got to look at the following sections - rule making under 8. There are all sorts of provisions which one could envisage, relating to practice of the profession; but most professional Acts contain very specific provisions regarding discipline - the Medical profession has them so has the Legal profession and so has the Architects profession and yours seems to be the only one where it is not at all clear what your powers are. Of course, if you give those words "to regulate the practice" a wide meaning and interpret them to mean almost anything, I have no doubt that you could bring discipline within them - it is a matter of interpretation for you.

Mr. Chua: Part V of the Act.

Chairman: Sections 33 and 34 and so on. The Investigation Committee has its powers under section 32 and the Disciplinary Committee too.

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Mr. Hilborne: Yes. Basically to assume the Council of the Society has powers to investigate the conduct of its members if they haven't got that power, I doubt whether those sections are good.

Disciplinary
Committee

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No 4

Notes of
Evidence

13th September
1977

continued

Mr. Lim Chor Pee: Perhaps I may interpose here.

Perhaps your arguments would have stronger force if the disciplinary procedure itself was not set out in the main Act if for example, the disciplinary procedure or the powers of the Society or Disciplinary Committee are set out in subsidiary legislation or regulations or orders made by the Minister under the Act, then you can say that if the main Act of Parliament has not given clear power under the Act to the Society or to the Minister, to make regulations on Disciplinary Proceedings then they might be ultra vires. But in this case, Parliament itself has enacted clear provisions in the Act itself concerning the appointment of the various committees - Investigation and Disciplinary Committees and vesting them with the necessary powers in section 34, so therefore the fact that the general provisions in the earlier part of the Act have not set out all the detailed powers set out in the rest of the Act that does not mean there is no power in the Society. It is not like the Memorandum and Articles of Association because Parliament has given the full power in the other portions of the Act.

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Mr. Hilborne: Well, that is a point of view.

Mr. Wong: Mr. Chairman, if I may be of some assistance to this Committee. There is a doctrine in law to give effect to the intention of the legislation because if Mr. Hilborne's interpretation is correct, there will be no Disciplinary Committee in Singapore to regulate the conduct of accountants and the general rule of interpretation is to give effect instead of frustrating the intention. That's the only point I want to add.

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Mr. Lim Chor Pee: Perhaps you all might want to look at section 17.

Mr. Hilborne: Yes my only point is that I've some misgivings (let me put it that way) about the fact that disciplinary proceedings are not

Mr. Lim Chor Pee: What about section 31(1). Mr. Hilborne I mean this is a very clear provision in the main section. Its a main provision of the Act itself, it is not a subsidiary legislation.

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Mr. Hilborne: Well, that is the only part which makes it vital. I would have thought that it is a case of

Mr. Lim Chor Pee: And section 34?

Mr. Hilborne: Such as I've said taking in my view possibly the existence of the Disciplinary powers whether section 34 confers independently of any other provision in the Act, whether section 34 is wide enough to confer not only to lay down expressly for the existence of the Disciplinary Committee but invested with the powers independent as I say contrary to the provisions which govern the whole purpose and authority of the Society as laid down in sections 6 and 7. Those are the ones which lay down the fundamental powers of the Society and whether section 34 can stand on its own irrespective of what it says in sections 6 and 7. Well that is the point. My second point is different. The second is this. The second point assumes that these provisions are bad. In my submission we're entitled to some sort of charge or statement of the case and all we've had up to now is a letter which is strictly, I would have thought can't possibly be interpreted. On 28th June, the Society wrote to my client and that letter is in the nature really of a report because it informs my client that the Investigation Committee recommended the matter referred to this Committee. And then in para 4 it states that the charge against you thereby committing grave impropriety or infamous conduct in a professional respect that is discreditable to an accountant so as to render the exercise of the powers of this Committee expedient in the interest of the public or the Society. And then it goes on to the date and in no sense in my submission can that be construed as any sort of formal charge and I should have thought that in the interest of natural justice my client is entitled to have something more formal than that and up-to-date we haven't been supplied with anything. That is my second point.

Disciplinary
Committee

No. 4
Notes of
Evidence
13th September
1977
continued

Mr. Wong: Mr. Chairman if I may assist the inquiry. Mr. Hilborne is right in the sense that our rules of natural justice would require notice and this letter of 28th June 1977 provides more than adequate notice to Mr. Tan in this case, because this is a Disciplinary inquiry and we're not following the Criminal Procedure Code where a charge has to be spelt out because in the Criminal Procedure Code there is a schedule - format of charges that has to be followed whereas this one is a Disciplinary Inquiry and rules of natural justice as in "Board of Education vs Rice" requires a notice to Mr. Tan and I think reading from the letter of 28th June 1977, it would give more than sufficient notice. In fact, if it were framed in the form of a charge under C.P.C. Mr. Tan would have less information. This is the only point that I have.

Disciplinary
Committee

—
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Notes of
Evidence

13th September
1977

continued

Mr. Hilborne: Well, you can't make a briefer reply than that. I am not disputing the question of I am disputing the right to some form of formality. That letter of 28th referred to doesn't give any dates.

Mr. Lim Chor Pee: But then that letter is accompanied by the copy of the complaint previously made by the Investigation Committee and surely Mr. Hilborne you're not complaining that you've had no notice of any particulars of the allegations.

Mr. Hilborne: There is no question of notice. We're quite aware what the charge is but that in my submission is not good enough. 10

Mr. Lim Chor Pee: Well, that is the basis of natural justice, you can complain if you have been taken by surprise or what charge you're facing but in this case, you knew precisely what the allegations are.

Mr. Hilborne: Yes indeed but notwithstanding that I would have thought something more in proceedings of this kind - proceedings against a man under a professional Act. There should be proper rules of course. If my submission is wrong why the rules haven't been made is not for me to say - they should have been made but they haven't. I think one has to go a bit further to know what it is all about. It is inconceivable that in any case in which a man is faced with disciplinary proceedings he would not know what it is about. Even verbally he could have been told. In my submission that is not good enough - not in a case of this kind. He is entitled to be met with some formality before the tribunal which is going to deal with the matter, that is your tribunal. We're not concerned with what happened before, what happened before the Investigation Committee or what letters were written. We are concerned about what is happening before the Disciplinary Committee. Everything that happened before that is irrelevant and these are fresh proceedings. My submission is that when these proceedings are presided on when the machinery is put in motion one of the first things that has to be done is for the person concerned to be presented with the offence he is charged. It may have changed as a result of the previous proceedings before the Investigation Committee - there may be amendments to the charge, parts of the charge may have been dropped, others added. In my submission, they are not sufficient for the moment. 20 30 40

(Mr. Tan Choon Chye, Mr. Hilborne and Mr. Allan Wong take leave of the hearing while the Disciplinary Committee consider the points raised by Mr. Hilborne. On their return the hearing continues -)

Disciplinary
Committee

—
No. 4

10 Chairman: Mr. Hilborne, after giving consideration to the points you raised (the 2 points which you raised) after giving due consideration, we now agree firstly that the Committee has the power and secondly, Mr. Tan is not in any way been prejudiced as more than sufficient particulars of allegations have been given him.

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Evidence

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1977

continued

Mr. Allan Wong: At this stage Mr. Chairman I wonder if it is necessary to read the 4th para again to Mr. Tan contained in the letter of 28th June 1977?

Mr. Lim Chor Pee: We read it the last time.

Mr. Allan Wong: Firstly, Mr. Chairman, may I introduce Mr. Yang Tien Kuo. By way of introduction, Mr. Yang can you please affirm to the Committee that your experience as far as interpretation is concerned.

20 Mr. Yang: Well, I retired as a Court interpreter 2 years ago. I've put in 28 years of services in the courts in Singapore.

Mr. Allan Wong: And you're proficient in Mandarin.

Mr. Yang: Yes, among the dialects that I'm proficient in is Mandarin.

Mr. Allan Wong: And you now affirm that you would interpret to the best of your knowledge without bias or prejudice. ?

30 Mr. Yang: Well I do affirm that I shall interpret in this inquiry all the evidence without bias or fear or favour to the best of my ability.

Mr. Allan Wong: Thank you very much Mr. Yang. Mr. Chairman, may I now call the first witness Mr. Lou Chih Chung.

Chairman: Yes, please.

Mr. Allan Wong: Is your name Lou Chih Chung?

Mr. Lou: Yes.

Disciplinary
Committee

No. 4

Notes of
Evidence

13th September
1977

continued

Mr. Allan Wong: And you're the Chairman of Yoong Wah Industries Pte. Ltd. of Singapore.

Mr. Lou: Yes.

Mr. Allan Wong: And you affirm that all that you are telling to this Committee is the truth and nothing but the truth.

Mr. Lou: Yes.

Mr. Allan Wong: I think we do not have provisions to affirm. You can confirm verbally that he is telling the truth.

Mr. Lou: Yes.

Mr. Allan Wong: Thank you very much Mr. Lou. In 1971 10
did you come to Singapore to set up an integrated synthetic
textile factory in Singapore?

Mr. Lou: Yes.

Mr. Allan Wong: This company in Singapore is known as Yoong Wah Industries Pte. Ltd.

Mr. Lou: Yes.

Mr. Allan Wong: And since the inception of this Company, the accountant of the said firm is Mr. Tan Choon Chye.

Mr. Lou: Yes.

Mr. Allan Wong: This is Mr. Tan Choon Chye am I correct? 20

Mr. Lou: Yes.

Mr. Allan Wong: You're also the Chairman of Yoon Tar Industrial Corporation in Taiwan?

Mr. Lou: Yes.

Mr. Allan Wong: Can you please tell this Committee that sometime in October 1971, whether you had any discussion with Mr. Tan Choon Chye?

Mr. Lou: Yes, I discussed with him about investments in industries in Singapore.

Mr. Allan Wong: Was there any discussion in respect of application for Manufacturer's Licence? 30

Mr. Lou: Yes, precisely, I discussed about this matter.

Mr. Allan Wong: Which Government body in Singapore was in control of the application of that Manufacturer's Licence?

Disciplinary
Committee

No. 4

Mr. Lou: It is the department known as EDB.

Notes of
Evidence

Mr. Allan Wong: During this discussion, did Mr. Tan mention anything about expenses?

13th September
1977

Mr. Lou: Yes, he did.

continued

Mr. Allan Wong: Did he mention any amount?

Mr. Lou: Yes.

10 Mr. Allan Wong: What was the amount?

Mr. Lou: S\$50,000.

Mr. Allan Wong: Did you promise him?

Mr. Lou: Yes.

Mr. Allan Wong: What did you understand by this \$50,000 in expenses in the application?

Mr. Lou: He merely said to apply for the licence he needed this expense.

Mr. Allan Wong: Yes, but what did you understand by this term "expenses"?

20 Mr. Lou: Well, perhaps he needed it for entertainment.

Mr. Allan Wong: Now this sum would be apart from his professional fees charged, is this correct?

Mr. Lou: I don't understand.

Mr. Allan Wong: Then subsequently, did Mr. Tan submit an application for a Manufacturer's Licence to the EDB on behalf of Yoong Wah Industries Pte. Ltd?

Mr. Lou: He did.

Mr. Allan Wong: And the fees he charged for this application was \$1,000?

30 Mr. Lou: Its do long ago, I cannot remember.

Disciplinary
Committee

No. 4

Notes of
Evidence

13th September
1977

continued

Mr. Allan Wong: Then can you please tell this Committee whether this application was approved?

Mr. Lou: Yes.

Mr. Allan Wong: Was it conveyed to you in the form of a letter dated 4th December 1971?

Mr. Lou: Yes, December is right, but I can't remember the precise date.

Mr. Allan Wong: Would you be able to identify a copy of this letter?

Mr. Lou: Yes. This is the copy. 10

Mr. Allan Wong: Mr. Chairman, I have more than one copy, only one copy need to be marked.

Chairman: This copy is marked exhibit 'A'.

Mr. Allan Wong: Perhaps the members and Mr. Hilborne would like to go through it. (Decided not necessary). Now, after this letter of approval, did Mr. Tan Choon Chye have another discussion with you?

Mr. Lou: There wasn't a discussion, he only wanted the \$50,000.

Mr. Allan Wong: Did you pay him the S\$50,000? 20

Mr. Lou: Yes.

Mr. Allan Wong: How did you get this sum of S\$50,000? It's quite a large sum.

Mr. Lou: I raised a cash loan from a Hong Kong friend and gave it to him.

Mr. Allan Wong: And the name of your friend is Hsia Wei Liang?

Mr. Lou: Yes.

Mr. Allan Wong: He gave the loan to you in the form of a cash cheque? 30

Mr. Lou: Yes.

Mr. Allan Wong: Are you able to identify a copy of this cash cheque?

Mr. Lou: Yes.

Mr. Allan Wong: Is this a copy of the cash cheque?

Mr. Lou: Yes, this is the copy.

Mr. Allan Wong: You went to the bank to cash it and you handed the cash to Mr. Tan Choon Chye.

Mr. Lou: Yes, I did.

Mr. Allan Wong: And the money was handed to him on the same date as the cheque i.e. on the 6th of December 1971.

10 Mr. Lou: Yes.

Mr. Allan Wong: And your firm of Yoong Wah Industries Pte. Ltd. paid a retainer every year to Mr. Tan Choon Chye?

Mr. Lou: Yes.

Mr. Allan Wong: I think that's all, Mr. Chairman, as far as Mr. Lou is concerned. I wonder if the Committee and Mr. Hilborne have any questions for Mr. Lou?

Mr. Hilborne: Mr. Lou are you familiar with the signature on this cheque?

20 Mr. Lou: Yes.

Mr. Hilborne: Whose signature is it?

Mr. Lou: My signature.

Mr. Hilborne: Your signature?

30 Mr. Lou: Do I need to explain this? The account is in the name of my Hong Kong friend Hsia Wei Liang - account in Singapore. Originally, he had the intention of investing in industries in Singapore with me because he is in Hong Kong whereas I'm in Singapore, whenever I needed money, I've been authorised to sign for that account.

Mr. Hilborne: Why?

Mr. Lou: Originally, we came together to Singapore with the intention of jointly investing in industries. Later on, he decided otherwise, the money was left here and

Disciplinary
Committee

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No. 4

Notes of
Evidence

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1977

continued

Disciplinary
Committee

No. 4

Notes of
Evidence

13th September
1977

continued

arrangement was made authorising me to operate that account.

Mr. Hilborne: But why?

Mr. Lou: Because we had wanted originally to invest in Singapore.

Mr. Hilborne: Did you draw any other cheques on this Account apart from this cheque?

Mr. Lou: I can't remember.

Mr. Hilborne: Who collected the money from the bank?

Mr. Yang: You mean this amount S\$50,000.

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Mr. Lou: I did.

Mr. Hilborne: Where is Mr. Hsia now?

Mr. Lou: He is now in America, U.S.A.

Mr. Hilborne: Did you pay him back the S\$50,000?

Mr. Lou: Yes.

Mr. Hilborne: Who endorsed the cheque?

Mr. Lou: I just don't remember. Since I cashed it, probably it was I who endorsed it whether it was me or not, I don't remember.

Mr. Hilborne: Mr. Chairman, this cheque, this is just the obverse of the cheque. It doesn't show who endorsed it.

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Mr. Allan Wong: I think a subsequent witness, Mr. Ng will be able to produce the reverse of the cheque.

Mr. Lim Chor Pee: We're going to produce it later.

Mr. Allan Wong: I'll check with him. I don't think it is material who endorsed it at the back.

Mr. Hilborne: No, I don't think it is, probably but for the sake completeness it wan't endorsed, was it?

Mr. Allan Wong: I'll check on it later.

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Chairman: Did you obtain an official receipt of the payment of S\$50,000.

Disciplinary
Committee

Mr. Lou: No, there was no receipt.

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Chairman: Why was not the cheque crossed and made payable to Mr. Tan Choon Chye.

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Mr. Lou: He didn't want it that way. He wanted cash.

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Chairman: Did Yoong Wah Industries Co. Ltd. subsequently reimburse Mr. Lou or Mr. Hsia for the \$50,000.

continued

10 Mr. Lou: Woong Wah did not pay up this amount as there was no receipt.

Chairman: In other words, Mr. Hsia or Mr. Lou paid for it?

Mr. Lou: No, this sum was raised from the directors, reimbursed by way of raising from the directors subsequently.

Mr. Lim Chor Pee: On their Personal accounts?

Mr. Lou: Yes.

20 Mr. Allan Wong: If there are no further questions, maybe the Committee can release Mr. Lou. I wonder if Mr. Hilborne has any more questions?

Mr. Hilborne: No.

Mr. Allan Wong: Thank you very much for coming. I'll call my next witness. Wan Ming Seng. Mr. Wan, you're at present unemployed?

Mr. Wan: Yes.

Mr. Allan Wong: And you affirm that whatever you tell this Committee is the truth and nothing but the truth.

Mr. Wan: Certainly so.

30 Mr. Allan Wong: Mr. Wan were you a Project Officer with the Economic Development Board of the Republic of Singapore from August 1967 to the 20th of November 1974.

Mr. Wan: That's true.

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continued

Mr. Allan Wong: Can I know your address please?

Mr. Wan: 16-H, Yuan Ching Road, Jurong.

Mr. Allan Wong: Any other clarification? This incident took place sometime ago but can you remember in October 1971, did you know one Mr. Tan Choon Chye?

Mr. Wan: I did.

Mr. Allan Wong: Is this Mr. Tan Choon Chye?

Mr. Wan: Yes.

Mr. Allan Wong: He was your friend or acquaintance?

Mr. Wan: When I joined the EDB from Philips whom I worked, I came to know Mr. Tan. Mr. Tan was acting on when I joined that time or already acting for quite a few Singapore companies and industrial enterprises already and through official work, I came to know him.

10

Mr. Allan Wong: Sometime in October 1971 or thereabouts, did you have a meeting with Mr. Tan Choon Chye at G.H. Cafe?

Mr. Wan: Yes he telephoned me that he wanted to meet me at the G.H. Cafe to have a cup of tea and to hear what he was supposed to tell me.

20

Mr. Allan Wong: Can you please tell this Committee the nature and the contents of this discussion?

Mr. Wan: So we met, with a cup of tea and in the course of our chit chat, he brought up the subject that there was an interested party wishing to set up an Integrated textile mill in Singapore and he would be acting for this interested party and he would like my advice how to get a Manufacturer's Licence and he eventually repeated that he could get a consideration from the interested client and for that part of it, if he were to go ahead, he would have half of whatever amount coming from the client and he would handle all the receiving of whatever consideration, in other words, I just do what is normal for me to advise on a proper job; he would present whatever impression for whatever it is.

30

Mr. Allan Wong: Mr. Wan there are two things. Did he mention that he was going to present the application or did you mean that he would be responsible for all

negotiations. Can you please indicate to this Committee?

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Mr. Wan: Yes he would sort of negotiate as you put it, with the interested party, in respect of the consideration.

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Mr. Allan Wong: Did he also mention that he would be making an application on behalf of this interested party?

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10 Mr. Wan: I thought it would be the logical conclusion that he would be submitting in his capacity as a Public Accountant which he was permitted to do for investment in Singapore.

Mr. Allan Wong: How long did this meeting take?

Mr. Wan: You mean with Mr. Tan?

Mr. Allan Wong: This meeting between you and Mr. Tan?

Mr. Wan: I think about an hour, in the nature of a cup of tea, that sort of thing.

20 Mr. Allan Wong: Now after this discussion, was there an application under the control of Manufacturers' Act submitted by Yoong Wah Industry Co Pte Ltd.

Mr. Wan: There was.

Mr. Allan Wong: Through which firm of Public Accountants was this submitted?

Mr. Wan: Messrs. Tan Choon Chye & Co.

Mr. Allan Wong: At that time were you in charge of processing of this application?

Mr. Wan: I was.

Mr. Allan Wong: Eventually was this application approved?

30 Mr. Wan: It was, in full compliance of all the official guidelines.

Mr. Allan Wong: Yes. Was it approved sometime on the 4th December 1971?

Mr. Wan: It could be around that time.

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Mr. Allan Wong: May Mr. Wan be shown Exhibit 'A' (Exhibit 'A' shown to Mr. Wan). Thank you Mr. Chairman. Mr. Wan could this be a copy of the approval letter?

Mr. Wan: That's right.

Mr. Allan Wong: Thank you Mr. Chairman. Sometime after this 4th of December was there a meeting between you and Mr. Tan at his office?

Mr. Wan: Yes, he telephoned me one morning then I went over. Then he said that he hand me a bundle of notes, to be exact \$25,000 and said this was half of the consideration and I got it.

10

Mr. Allan Wong: I see. Did he mention that it was from Mr. Lou Chih Chung?

Mr. Wan: Yes, something to that effect.

Mr. Allan Wong: And Mr. Lou Chih Chung was the Chairman of Yoong Wah Industry Co. Pte. Ltd.

Mr. Wan: This was a matter of record.

Mr. Allan Wong: After you were handed the money, you left his office?

20

Mr. Wan: He handed to me, he made me count in front of him. He was a trained accountant, I believe by training he was meticulous and accurate. He made me count for it - no more no less.

Mr. Allan Wong: Mr. Wan this is perhaps a little bit unpleasant, but on the 26th December 1975 were you charged with an offence of corruption under section 6(a) of the Prevention of Corruption Act before Court No. 5 in the subordinate courts, Republic of Singapore?

Mr. Wan: I regret I was.

30

Mr. Allan Wong: And the charge facing you was that you did obtain through Tan Choon Chye from one Lou Chih Chung a sum of \$50,000?

Mr. Wan: No, never true.

Mr. Allan Wong: The charge was the charge read as such.

Mr. Wan: The charge was bad and I could do nothing about it. That was beyond me.

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Mr. Allan Wong: And you pleaded guilty to the charge.

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Mr. Wan: What could I do in the nature of things. If someone created and acted on something and I eventually If you ask me I have to be given a chance to describe. Would you please ask the question again.

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10 Mr. Allan Wong: I think the question was, did you plead guilty to the charge?

Mr. Wan: I had to plead guilty in the light of all the things against me at that time.

Mr. Allan Wong: Were you represented by Counsel at that time?

Mr. Wan: I was.

Mr. Allan Wong: And you were convicted and sentenced to one year's imprisonment and to pay a penalty of \$50,000. In failure of which default, another six months. And you served your sentence?

20 Mr. Wan: Well as a man I got to face up to my mistake. We have been found dishonest, but I don't like to be dishonourable and Mr. Tan has committed perjury. We have been dishonest (four of us) but I do not like a party to be dishonourable. This is not an open court and you gentlemen want to get the facts let us have a bit of

Mr. Allan Wong: Just one last bit
Is this a copy of the notes of evidence of that particular proceeding lodged against you?

30 Mr. Wan: Not the full of it.

Mr. Allan Wong: It is.

Mr. Wan: This one, yes.

Mr. Allan Wong: Mr. Chairman, may this be marked Exhibit 'C' as a copy of the certified copy of the notes of evidence in that particular case. (Exhibit 'C' marked).

Mr. Lim Soo Guan: I have no further questions, Mr. Chairman.

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Mr. Hilborne: Mr. Wan, it is obvious in your voluntary remarks which you have just made that you think Mr. Tan ought to be punished?

Mr. Wan: That is not my job.

Mr. Hilborne: It is not your job.

Mr. Wan: Excuse me. I am asked to come and state the facts so I am just stating the facts. What could be done is beyond what I wish. I am here to state the facts and I have no malice towards anyone inclusive of Mr. Tan, I am here to state the facts, could you please understand that. I have found to be dishonest together with Mr. Tan. Some people have been dishonourable as well, I do not wish to be so - could you please understand that. I hope to assist you to do the job.

10

Mr. Hilborne: I am sure we do not want speech making.

Mr. Wan: Not speech making. I just mean the two facts, the cardinal facts apparent. I have no malice to anyone.

Mr. Hilborne: Perhaps you would just confine yourself to questions.

20

Mr. Wan: So you please ask whether I wish to punish anyone. Please don't ask this sort of question. It is not within my power to punish anyone.

Mr. Hilborne: Now can we get on with this, please?

Mr. Wan: Please, entirely up to you.

Mr. Hilborne: You just stated without being asked that Mr. Tan committed perjury?

Mr. Wan: That is right.

Mr. Hilborne: Do you know what perjury is?

30

Mr. Wan: Well, just something, perjury means that you tell a serious lie to get somebody (I'm not a trained lawyer) into very big trouble and get yourself out. I don't know whether this could be the definition it means?

Mr. Hilborne: Mr. Wan, you are a graduate of Melbourne University.

Mr. Wan: That was a fact.

Mr. Hilborne: And of the University of Singapore?

Mr. Wan: Malaya.

Mr. Hilborne: One assumes therefore that you are an educated man?

Mr. Wan: Well, you could assume so.

Mr. Hilborne: And I would expect you to act as an educated man. Exactly what perjury means.

Mr. Wan: In a broad sense as I stated. Please correct me if I am wrong.

10 Mr. Hilborne: Well, perjury Mr. Wan, is telling a falsehood in court proceedings under oath.

Mr. Wan: That is more of a technical sense, it could be.

Mr. Lim Chor Pee: I don't think the Committee would be interested in Mr. Wan's opinion. Mr. Hilborne you need not worry about that. The Committee will brush this from its mind. I don't think you need to spend too much time arguing with him as to what the meaning of perjury is.

20 Mr. Hilborne: If you would appreciate I am just testing the witness on his exactitude in using not only the term like this but other matters. One would assume I would submit this kind of witness with his background would use words in some degree of exactitude. I am just testing him on that. Now, Mr. Wan, I put it to you on this most important point, it's quite untrue that Mr. Tan gave you \$25,000, in fact he gave you \$50,000.

30 Mr. Wan: I was not the one. You ask Mr. Tan to search his soul and conscience, there was no evidence so he committed that sort of perjury so I said we have been dishonest together. I don't wish to be dishonourable. I have suffered so much that is no point for me to be dishonourable. I don't know so if Mr. Tan said ask him to show evidence. What can I do. I know that you have to do your job and ask questions.

Mr. Hilborne: Mr. Wan, if you may feel a bit peeved yourself, and you may be able (interruption by Mr. Wan) would you please listen.

Chairman: Mr. Wan, it will help us if you could just answer whatever questions.

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Mr. Wan: I am here to give the facts.

Chairman: Yes, we appreciate your presence here.

Mr. Hilborne: We don't want to see inside of your purged soul, we just want you to answer simple questions. Do you understand?

Mr. Wan: OK, make it simple and straight.

Mr. Hilborne: Now, the question is simply this, you said that you went to Mr. Tan's office and he gave you a bundle of notes in which there was \$25,000. I am putting it to you that in fact you received \$50,000.

10

Mr. Wan: I am putting it back to you that in fact I received \$25,000. So straight and forward.

Mr Hilborne: Secondly, I suggest to you that there was no meeting in fact at the GH Cafe.

Mr. Wan: There was such a meeting in fact.

Mr. Hilborne: I suggest to you that the only meeting you had with Mr. Tan took place in your office.

Mr. Wan: Eventually, we have been meeting in connection because Mr. Tan came to seek views for this and that on other occasions. You know, that was not true, Mr. Hilborne.

20

Mr. Hilborne: No further questions.

Chairman: Mr. Wan, at the meeting I should say at GH cafe of which Mr. Hilborne said there was no meeting. If there was a meeting, was any figure or sum of money mentioned at this discussion.

Mr. Wan: In the course of the discussion, Mr. Tan did come to suggest that \$50,000 could be a figure to ask.

Chairman: For you to ask?

Mr. Wan: He would put forward to the other side. Obviously, could I elaborate? Obviously, he already had initial or previous discussion with the interested party and through his experience of meeting people, discussions, I don't know it would appear that, the impression that the amount could be applicable to us.

30

Chairman: Who raised the question of payment of this \$50,000?

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Mr. Wan: Mr. Tan.

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Chairman: When you took the money, did you sign any receipt? Whether it is \$25,000 or \$50,000?

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Mr. Wan: I presume in a transaction of this nature, no one would really sign and certify.

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Chairman: You mentioned that there were some other people involved in this transaction.

10 Mr. Allan Wong: Mr. Chairman, may I humbly suggest that those remarks be disregarded.

Mr. Wan: It cannot be so.

Chairman: When you apply for a Manufacturing Licence, is it a straight forward matter or it involves a lot of preparatory consideration?

20 Mr. Wan: It needs a lot of consideration because the textile industry in Singapore context was improving and changing all the time so we were fighting to upgrade the industry so it needs to have all round consideration in the light of diversification and upgrading of the industry.

Chairman: What I mean is, is it a straight forward matter. Suppose I want a licence at that time, can I just say I want a licence.

Mr. Wan: No, it needs lengthy consideration by the full Board.

Chairman: It needs processing from one officer to another officer. At that time to get this Manufacturing Licence would any industrial company easily obtain it?

30 Mr. Wan: It could not be too easily obtained because it had to satisfy certain specific guidelines of the EDB at that time in view of wishing to bring about diversification and upgrading of the industry.

Mr. Lim Chor Pee: Would the EDB depend on your recommendations?

Mr. Wan: Eventually it got to be considered by my superiors and signed by the Registrar of Manufacturers. It got to be checked at all stages.

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Chairman: At what stage do you come in with this processing of this application.

Mr. Wan: Officially once we receive an official application I would be the one to vet it and to discuss with my superiors to bring about a better project for Singapore.

Chairman: Why was it necessary for this cash of \$50,000 or \$25,000 to be paid?

Mr. Wan: You ask Mr. Tan, he told me certain people who wished to assure themselves of eventually getting a licence and would wish in so doing offer a consideration.

10

Chairman: Does it mean you can come in to assist? To hasten the success of their application?

Mr. Wan: That was the gist of it.

Chairman: In other words you were in a position to really influence or in a way help in the granting of the licence.

Mr. Wan: I was the one who advised them positively to comply as best as possible with the guidelines for development of the industry. I would be the one to give them positive suggestions in so far that Mr. Tan is an agent of the company.

20

Chairman: So your assistance comes in to the extent of giving them guidelines as how best to comply.

Mr. Wan: To comply and also eventually to sum up their applications to make recommendations as a matter of procedure to my superior to approve or otherwise.

Chairman: You know about the required guidelines by your superior officer?

Mr. Wan: It would be collective thinking as it comes along the discussion. It is not me alone.

30

Chairman: So you are not in a position to recommend?

Mr. Wan: I would recommend eventually. I mean that as an Officer that was the schedule of duties, eventually we have to recommend, that we have to. After all the discussions and all these things so this is somewhat OK. This is about what. I would be the one, the officer-in-charge not I, and in my opinion, the respective port folio of industry or industries how to do it, I hope.

Chairman: Did you ask or solicit for this payment?

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Mr. Wan: In fact, in the discussion, I raised that this was a restricted thing to do in Singapore and I would be very passive. Then Mr. Tan said that he would handle the whole arrangement and that he was quite active in this sort of thing. I was given a false sense of security in looking back.

Mr. Lim Chor Pee: What you say is that you never asked for it. It was offered to you?

10 Mr. Wan: Offered? He said that he wanted half. I was tempted with something too good to be true.

Chairman: There was no necessity to mention \$50,000 or \$25,000 or as to one half or one quarter or a whole.

Mr. Wan: What we have said would eventually be half the thing, so

Mr. Lim Chor Pee: Does that mean that it was not necessary for the payment to be made for the application to go ahead?

20 Mr. Hilborne: I thought the Chairman meant it was not necessary to talk about \$50,000 or \$25,000.

Chairman: I mean it was not necessary for Mr. Tan to suggest whether it should be half or what's the full amount would be from the

Mr. Wan: There were two points. First, he said the principle whatever we could receive will be shared half and equal. Eventually it was put forward by Mr. Tan and as that was the amount agreed upon.

30 Mr. Lim Soo Guan: Is there any difference if no payment was offered? Would it make any difference to the application, the processing of application?

Mr. Wan: This is a matter of conjecture.

Mr. Lim Soo Guan: From my experience with the other cases where no consideration was paid.

Mr. Wan: If they comply with all the conditions and presented a good project in the eye of the Board, the application could have been approved.

Mr. Lim Soo Guan: Would there be any delay?

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Mr. Wan: That's very hard to say because so many people are dealing with it. This consideration of any application would take some time so whether it had to say its hard to quantify it.

Mr. Lim Soo Guan: Put it in another way. Since you were offered the consideration, did you make extra effort to push the application forward much earlier?

Mr. Wan: Positive effort in advising them to do a better job.

Mr. Lim Soo Guan: In other words, you exerted greater efforts?

10

Mr. Wan: No, you ask me, this is the thing, you

Mr. Lim Soo Guan: In other words, you offered more help in the processing of the application.

Mr. Wan: I give them positive suggestions.

Mr. Lim Soo Guan: Than you would normally do in other cases?

Mr. Wan: More or less. You have put to me this I never solicit which come to me just as something too good now it turns out to be something too bad. That's all.

20

Mr. Allan Wong: That's all. Thank you very much Mr. Wan and Mr. Chairman, may Mr. Wan be released?

Chairman: Yes, thank you very much.

Mr. Allan Wong: Thank you. Call in the third witness. Your name is Ng Kit Hong, is it correct?

Mr. Ng: Yes, sir.

Mr. Allan Wong: And you're the Chief Special Investigator of the Corrupt Practices Investigation Bureau of Stamford Road.

Mr. Ng: Yes, sir.

30

Mr. Allan Wong: You affirm that whatever you tell this Committee is the whole truth and nothing but the truth.

Mr. Ng: Yes, sir.

Mr. Hilborne: Mr. Chairman, I was just wondering, this third witness, what position is he regarding his evidence.

Mr. Lim Chor Pee: Just hear what he has to say.

Mr. Hilborne: Now, none of the witnesses are affirmed formally.

10 Mr. Lim Chor Pee: There is no provision for affirmation in proceedings of a domestic tribunal. And you know, as you've seen before in all these inquiries, it's a question of evidence being given orally. No affirmation like in the court of law. Is that so, Mr. Wong?

Mr. Allan Wong: That's right.

Mr. Hilborne: I'm just wondering what the purpose in his affirmation.

Mr. Lim Chor Pee: Actually, there is no need for affirmation.

20 Mr. Allan Wong: Affirmation not in the sense of oath but he says he is telling the truth. May I proceed. Sometime in November 1974, the CPIB received information that one Wan Ming Seng, formally of the EDB, had received a bribe from a foreign textile investor.

Mr. Ng: Yes, sir.

Mr. Allan Wong: And on information received, your Bureau commenced investigation?

Mr. Ng: Yes, sir.

Mr. Allan Wong: On the 3rd of January, 1975, did you request Mr. Tan Choon Chye to attend to the CPIB?

Mr. Ng: Yes, sir.

Mr. Allan Wong: That was early in the morning?

30 Mr. Ng: In the morning.

Mr. Allan Wong: Was he questioned about the alleged transaction?

Mr. Ng: Yes, sir.

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Mr. Allan Wong: He refused to give any statement unless he was given an amnesty. Is that correct?

Mr. Ng: Yes, sir.

Mr. Allan Wong: In the afternoon, did your Bureau consult the Attorney-General's Chambers?

Mr. Ng: Yes, sir.

Mr. Allan Wong: And subsequent to that an amnesty was given to Mr. Tan Choon Chye in that there'll be no criminal prosecution against him.

Mr. Ng: Yes, sir if he tells the truth.

10

Mr. Allan Wong: And subsequent to that, a statement was recorded from Mr. Tan Choon Chye.

Mr. Ng: Yes, sir.

Mr. Allan Wong: And this statement was recorded under section 26 of the Prevention of Corruption Act.

Mr. Ng: Yes, sir.

Mr. Allan Wong: Obligated the witness to tell the truth.

Mr. Ng: Yes, sir.

Mr. Allan Wong: And would you be able to identify a copy of this statement, photocopy of the statement recorded on that day.

20

Mr. Ng: Yes, sir.

Mr. Allan Wong: Is this a copy of the statement?

Mr. Ng: Yes, sir.

Mr. Allan Wong: Exhibit 'D'. This Exhibit 'D' was given voluntarily by Mr. Tan.

Mr. Ng: Yes, sir.

Mr. Allan Wong: And all the pages of this statement were initialled by Tan.

Mr. Ng: Yes, sir.

30

Mr. Allan Wong: And he signed at the end of the statement after reading through it and confirming that it was correct.

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Mr. Ng: Yes, sir.

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Mr. Hilborne: I am afraid I must check. This is Exhibit 'D'?

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Chairman: Exhibit 'D' that is right.

continued

Mr. Allan Wong: Mr. Hilborne, are you raising an objection?

10 Mr. Hilborne: I'm afraid I got to - this is nothing more than hearsay.

Mr. Allan Wong: It is hearsay but it is not hearsay if it comes in the form of admission from the other party.

Mr. Hilborne: Well, are you relying on - what is your choice.

Mr. Lim Chor Pee: Anyway, it is a matter of submission by Mr. Hilborne later on as to what value the Committee should attach to it.

20 Mr. Allan Wong: Section 17 of the Evidence Act which may be only a matter of a guideline stated any admission that is.

Mr. Lim Chor Pee: Anyway, let us finish with the witness first. You can submit later on the value of this one.

Mr. Allan Wong: This is a statement and subsequently on the 28th of January 1975, at about 2.40 p.m. did Mr. Tan Choon Chye attend to the CPIB and make a further statement?

Mr. Ng: Yes, sir.

Mr. Allan Wong: Would you be able to identify this statement?

30 Mr. Ng: Yes, sir.

Mr. Allan Wong: Is this the statement?

Mr. Ng: That is.

Mr. Allan Wong: Exhibit 'E'. Can you please take a look. Is this a copy of the statement?

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Mr. Ng: Yes, sir.

Mr. Allan Wong: And on the 22nd of March 1975, at about
9.40, did Mr. Tan Choon Chye attend to the CPIB again?

Mr. Ng: Yes, sir.

Mr. Allan Wong: And you recorded a further statement
from him.

Mr. Ng: Yes, sir.

Mr. Allan Wong: Can you identify a copy of this statement?

Mr. Ng: Yes, sir.

Mr. Allan Wong: Is this a copy of the statement?

10

Mr. Ng: Yes, sir.

Mr. Allan Wong: Can you mark the Exhibit 'F'. And on the
9th of April 1975, at about 5.30 p.m. did Mr. Tan Choon
Chye attend to the CPIB again?

Mr. Ng: Yes, sir.

Mr. Allan Wong: And you recorded a further statement from
Mr. Tan.

Mr. Ng: Yes, I did.

Mr. Allan Wong: Could you identify the statement?

Mr. Ng: Yes, sir.

20

Mr. Allan Wong: Is this the copy?

Mr. Ng: Yes, sir.

Mr. Allan Wong: May it be marked Mr. Chairman.

Chairman: 'G'.

Mr. Allan Wong: Finally, Mr. Ng, on the 15th of May 1975,
at about 2.40 p.m. did Mr. Tan Choon Chye attend to the
CPIB again?

Mr. Ng: Yes, sir.

Mr. Allan Wong: And you recorded another statement from
him.

30

Mr. Ng: Yes, sir.

Mr. Allan Wong: Is this a copy of the statement?

Mr. Ng: Yes, sir.

Mr. Allan Wong: Mr. Chairman, may it be marked Exhibit 'H'. On the 26th of December 1975, Wan Ming Seng was charged before Court No. 5 before the District Judge. Were you present before the whole of the proceedings?

Mr. Ng: Yes, sir.

10 Mr. Allan Wong: And he pleaded guilty to the charge of obtaining \$50,000 from Lou Chih Chung through one Tan Choon Chye.

Mr. Ng: Yes, sir.

Mr. Allan Wong: And Mr. Wan was convicted and sentenced to one year's imprisonment and a fine of \$50,000 and in default another 6 months' imprisonment.

Mr. Ng: Yes, sir.

20 Mr. Allan Wong: May this witness be shown Exhibit 'C' Mr. Chairman? Is this a photocopy of the certified notes of evidence on that particular day?

Mr. Ng: Yes, sir.

Mr. Allan Wong: In any case, you have the original certified true copy with you is it?

Mr. Ng: Yes, sir.

30 Mr. Allan Wong: Mr. Chairman, may this original copy initialled by the senior District Judge be marked "C" T, this is the copy that we obtained from the courts - "C" T is the true copy. Mr. Ng, do you have a copy of a cheque for \$50,000 that was cashed by a witness called by the name of Lou Chih Chung? I think the Committee would like to take a look at the rear of the cheque. Is this the reverse?

Mr. Ng: No, no this is another cheque.

Mr. Allan Wong: You don't have it? I am sorry Mr. Chairman, I am not persisting as far as the reverse side of the cheque is concerned. I have no further questions for this witness.

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Mr. Hilborne: Do you know where the cheque is Mr. Ng?

Mr. Allan Wong: You only have the front side. Mr. Chairman, I wonder if it is necessary for this witness to read out only paragraphs 2, 3, 4 of this statement. I have no further questions.

Mr. Hilborne: Where is the original of this cheque Mr. Ng?

Mr. Ng: With the bank, with the bank.

Mr. Hilborne: You got it from the bank?

Mr. Ng: I didn't get the original. I only got the photostat copy.

10

Mr. Hilborne: How did you get this photostat copy?

Mr. Ng: I got it from the bank itself.

Mr. Hilborne: You took photostat copies in the bank?

Mr. Ng: I didn't take the original from the bank.

Mr. Hilborne: No. You took photostat copy in the bank?

Mr. Ng: That's right.

Mr. Hilborne: You used their photostat copying machine in the bank?

Mr. Ng: They made the copy for me.

Mr. Hilborne: Well, then I see you would have the reverse copy as well.

20

Mr. Ng: 1st copy?

Mr. Hilborne: Reverse copy of the cheque - back, back.

Mr. Ng: I should have it but I may have misplaced it. I should have it. I think I was given the reverse copy as well.

Mr. Hilborne: You were given the reverse copy as well.

Mr. Ng: That's right.

Mr. Hilborne: Can you remember what was on the reverse copy?

30

Mr. Ng: Must be the signature.

Mr. Hilborne: You can't remember whose signature?

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Mr. Ng: I cannot remember right now unless I have sight
of the reverse side.

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Mr. Hilborne: I have no further questions.

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Mr. Allan Wong: Mr. Chairman - any more questions?
No question so Mr. Chairman may Mr. Ng be released?
Mr. Hilborne? Thank you very much for coming,
Mr. Ng.

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10 Mr. Hilborne: I have one submission to make, or rather, I
said rather in an untidy way to put it. I have one sub-
mission to make and 3 reasons for making it. The one
submission I have to make is that, these proceedings
should not go any further at this stage and I say there-
fore 3 reasons - that's another way of saying. My
client should not be asked to stay before your Board any
longer because there is no case to meet in regard to the
submissions. Now first of all, I submit, there has been
a non-compliance with the provisions of the Act under
(if I am right about that, it leaves you, Mr. Chairman
20 and the members of your Board, with no option to my
submission). Anyone who is facing what are after all
quasi criminal proceedings which affect a man's whole
career is entitled to insist that the provisions of the Act
which govern Disciplinary proceedings are strictly and
fully complied with and in my submission, they have
not, some of these provisions have not in this case, been
complied with. First of all, I submit that the communi-
cation from the Corrupt Practices Investigation Bureau,
which was the origin of these proceedings, is not a com-
30 plaint within the meaning of section 33(1) of the Act. In
order to enable the machinery to be put into motion,
under the Act, there must be, in my submission a formal
complaint otherwise of course everyone, every member
of your Society will be in jeopardy - if you could be
approached for example in the corner of the street and
someone passed on some rumour about some members of
the Society and if that could be regarded as enabling you
to put the machinery in motion, everyone might be in
jeopardy. So in order to safeguard members of the
40 Society section 33 says that any person who seeks to make
a formal complaint etc. etc. shall make the complaint in
the first instance to the Registrar of the Society and every
complaint should be in writing and let me read to you I
mean exactly what a dictionary meaning of complaint is.
They call it which is found in Funk & Wagnalls
dictionary which is utter grievance - "A statement of injury
or grievance made before a court or tribunal for purposes

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of prosecution and redress, an accusation or charge." Now, in my submission, that communication from the CPIB whatever it contains, I am even assuming this is something to act on, in the sense of reading it and taking copies of it. It is not a formal complaint and so my first point is that nothing happened, here - what should have happened, I suppose there is no reason why the Society shouldn't request the CPIB or anyone else to make a complaint and unless they do, unless the complaint is made, either initially or on request of the Society, I submit you can't act on it. No more can you act on any sort of informal or rumour or shall we say an anonymous letter simply of that type. None of these letters are for complaints.

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Chairman: But may I help you. If you look at section 33 it says : Every complaint shall be in writing and shall be supported by statutory declaration as the Registrar may require. So the Registrar may require it by form of a statutory declaration but he need not insist on it.

Mr. Hilborne: Well that's another point. Mr. Chairman I think you're going on to another point; this in fact is my second point. The point which I make a note is what must come to the Society before the wheels to start turning in a complaint - nothing short and indeed a formal complaint but nothing short a complaint in writing can turn the wheels in motion; anything short of that, a report, a suggestion of any kind, none of these are sufficient to enable you to start this procedure. What I am saying is, I am not suggesting that therefore that there is nothing you can do. But I think if you get a report or supposing you have an anonymous letter but you had a suspicion to present it in either case if you would prevail upon that person concerned, say look, we can't act on this; but if you have a complaint to make, if what you intend is a complaint, if you are uttering a grievance would you please send us a complaint - it must be in writing and in this particular case, I think you could in fact have gone to CPIB, well this is not. This is merely a report we will not act on this; we can't. If you wish to make any complaint and if you have a grievance then we will consider it. Now whether in that case how the grievance would have been uttered I don't know because I would have thought the CPIB have had any kind of professional connection with my client at all and how they will go about making a complaint. I would have thought it was some different thing but nevertheless they might be whether they could overcome that, it is up to them but on the face of it I can see the difficulty that they would be in

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because it is not a suggestion for one moment as far as I know but the relationship between Mr. Ng and his Bureau was at anytime that of an accountant and client so I can see the difficulty they would be in. But that's a matter for them. The matter for you, is to take copies of what you have been following. But I can well understand that I don't know how many, I mean, I hope that this sort of communication hasn't come out too often in the past may be an explanation apart from the way it is drafted. Perhaps this point hasn't been taken and it is a vital point and it is a point on which my client is entitled to ask for a strict interpretation. I don't think it needs a great strict interpretation but there it is, and if that is correct, if the complaint is in the form of all it goes the whole procedure in the machinery and hasn't been complied with, then if my submission there has been a failure to comply with the Act and there is really nothing your Board can do about that except to discontinue these proceedings against him. I see no way of remedying it now.

Mr. Lim Chor Pee: In other words what you are saying is that the letter dated 1st April 1976, from the CPIB to the Registrar is not a complaint within the meaning of section 33 (1) of the Act.

Mr. Hilborne: Not a complaint. No. It is simply a communication of knowledge or familiarity with certain things which have happened. Now if I am wrong about that, let's supposing I am wrong about that; I will go on to my second point which you have already anticipated, Mr. Chairman. You take with you that the Registrar may not necessarily require a Statutory Declaration. Well with the greatest respect Mr. Chairman, I consider that, that interpretation is not supported by the rest of the Act. Mr. Lim Chor Pee I am sure will advise you that the English Language is not always as sensible as it sometimes is and he will tell you that very often in Statutory Provisions the word "may" means "must" and I can submit to you this is one of the cases because if you look at S33, the same section, if you look at section 33(6)(a)(i), it obviously refers to sub-section 1, 2 and 3 of the same section and whereas under section 33(3) you do get a situation where there may not be a complaint in writing where the Registrar acts in his own motion and so you get the words if anything, you notice you don't get that with regard to Statutory Declarations. If no Statutory Declaration is necessary at all I would expect to see those words "if any" in the second line of that sub-section and my submission is that the complaint

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must be supported by a Statutory Declaration but the Registrar may require more than one.

Every such complaint shall be in writing and shall be supported by such Statutory Declaration which the Registrar may require. There may be a complaint by 2 or more people and it's easy to envisage a case where that is so where the Registrar would say, well you will all have to make Statutory Declarations but the whole object to sub-section 2 in my submission is to ensure that the complaint is fortified by a Statutory Declaration and that is reasonable, sensible because it means that it eliminates all those people and there are people of malice or whatever their motives are who are prepared to make complaints but who are not prepared to support it on oath and obviously this is a safeguard and it separates those people who have a genuine complaint and are prepared to support from those people who are prepared to say anything in the form of a complaint but they are not when it comes to the point, not prepared to put it on oath.

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Now you ought to interpret that, in the way I suggested that there must be at least a Statutory Declaration but the Registrar is not bound to accept only one, he has his discretion to ask for more than one Statutory Declaration where the circumstances warrant it. (Now I don't think it is necessary for me to go into the circumstances, the most obvious one it appears to me as I have said just now where the complaint is a joint one by husband and wife or 2 or 3 people the Registrar might in those circumstances require more than one Statutory Declaration. But your interpretation should be that and as I say it seems to me that if a Statutory Declaration is not required at all, you would find the words "if any" you would expect to find them in sub-section 6(a)(i), it's logically you will find them in both lines written complaint if any covering that and Statutory Declaration Now here again, not only had you not have a complaint - going back to my first point, but if you find a complaint you have not got it supported by a Statutory Declaration and in my submission therefore there have been a failure to comply with sub-section 2 of section 33 as well, that is my second point.

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The third point is this. You have already ruled that the letter of 28th June is due notice to my client of the charge he is facing and of course I accept that now - that's your ruling. But when we look at that letter, I submit that the 4th paragraph of that letter of 28th June, I submit the charge, if that is the charge, is bad. What my client seems to be charged with is four offences, you see, if we look at section 34 it's quite

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clear in my submission what section 34 provides for, if one analyses it. First of all it says if any member of the Society (a) is convicted of an offence involving dishonesty; that is clear enough and nothing more is required if the offence concerned is dishonesty and the offence is proved, that's the end of it. You come under section 34(a). But if you go on to (b) you will come across here to have been guilty of grave impropriety or infamous conduct in a professional respect or to have been guilty of gross carelessness or gross neglect or gross incapacity in the performance of his professional duties. Clearly both these two being grave impropriety or infamous conduct in a professional respect or gross carelessness or neglect or incapacity in the performance of his professional duties refer to conduct as a public accountant. They are related specifically to his professional duties and his professional work. That is clear because he uses the word professional but then, you go on and it goes on for the rest of that paragraph (b) has nothing to do with his professional duties and it goes on or to have conducted himself in such a manner as to render the exercise of the powers or rather no I've missed out, or to have been guilty of any act or default discreditable to an accountant or to have conducted himself in such a manner as to render the exercise of the powers of the Disciplinary Committee expedient in the interests of the public or of the Society. Now those 2 parts, it seems to me really that they have not necessarily got anything to do with his professional work. If you do an act which is discreditable to an accountant but it need anything to do with his profession or his work it can be outside his office, it can be in the social life something which now I'll give an example - evasion customs duties - supposing a man comes in as a Public Accountant, comes in the Paya Lebar Airport and he has with him in his baggage and he is asked by the custom officer whether he has anything to declare and he says no and when he is asked to open his bag, he is caught and it appears next morning in the paper and Mr. X, well known Public Accountant fails to declare dutiable goods and all the rest of it.

Now if you read that in the paper, its got nothing to do with him as a public accountant but it is conduct which brings discredit not only to himself but his profession and you would be entitled in my submission to use those words but those words only to bring a charge against him but it would have nothing to do with grave impropriety or infamous conduct in a professional respect nor would it have anything to do with gross carelessness or gross neglect or gross incapacity in the performance of his professional duties.

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They are outside of his office so (a) & (b) first and second are what takes place in his office in his relationship with his clients and (b) & (c) are what takes place outside his office when there is no strict professional context in his conduct. Now what you can't do in my submission is you can't charge a man with all four. You can't sort of wrap it up into a bundle and say you have been guilty of all four unless it is something to do with his profession. And it also is an act of all four - discreditable and also has conducted himself in a manner to render the exercise of the powers of the Disciplinary Committee expedient

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I dare say if it is something which he has done strictly in connection with his office, with his work, with his professional duties you could charge him with all four because the greater includes the less but what you have to ask yourself in this case is what Mr. Tan - what is the act he is alleged to have done? Is it something in the office or outside the office. In my submission however discreditable, this act is of acting as a "go-between" between his client and the government department; anyone is capable of being a "go-between" and it is nothing which takes place in the office. It may arise out of his employment by his client but there is nothing about acting as a "go-between" which is specifically reputable to the duties of the public accountant. Any Tom, Dick or Harry can be a "go-between". There is nothing in the qualifications of a public accountant which makes him a necessarily or desirable person to be a "go-between". It could be a lawyer, a doctor, a member of any profession, it could be a member of any other business or any member of the public for that matter. So if you ask yourself this question "Is this an inside the office or outside the office matter?" and I submit on a proper consideration of the act you only have to look at that one act itself it is really a matter which anybody can do and not simply be a public accountant. It has nothing to do with his duties as a public accountant. If it is an outside job and not an inside job then of course the first 2 parts of section 34(b) don't apply at all. It is nothing to do with grave impropriety or infamous conduct in a professional respect nor is it anything to do with gross carelessness or gross neglect or gross incapacity in the performance of his professional duties. It can only be number 3 being guilty of any act or default discreditable to an accountant or to conduct himself in such a manner as to render the exercise of the powers of the Disciplinary Committee expedient

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10 It can only be 3 or 4 but it can't be (1) or (2). If you
look now on the section at paragraph 4 of letter of
28th June we received that he has been charged thereby
committing grave impropriety (copying the exact words)
or infamous conduct in a professional respect in the
performance of your professional duties, (that is No. 2
being brought in) that is discreditable to an accountant
so as to render the exercise of the power of the
Disciplinary Committee expedient. It is a rolled up
charge which someone has read through this section 34
and has incorporated bits of each ingredient into the
charge. It is quite obvious if you read it, it starts off
grave impropriety or infamous conduct and it goes on to
performance of professional duties. It mentions the
word discreditable to an accountant and ends up by saying
so as to render the exercise of the power of the Disciplinary
Committee expedient. All four have been woven
in this charge. Now in my submission Mr. Chairman
you can't do that. You must decide what you're charging
20 the man with; you must decide whether it is an inside
job or an outside job. If it is an inside job, you can
charge him under (1) or (2) or both. If it is an outside
job you can charge him with (3) or (4) or both but you
cannot charge him for (1), (2), (3) & (4). I think it is
intelligible if you look at it that way. You'll see how
defective the charge is. That's my 3rd point. I
hesitate to mention the 4th point which is a highly technical
one and I place no great reliance on it but it is my
duty to mention but I say so, I do mention it but I
30 place no great emphasis on it. The fact remains that
the Investigation report which is really the genesis of
your proceedings here was signed by 3 persons, it ought
not to be signed by 3 persons, only 2 persons sat on the
Investigation Committee and they were a quorum and I
cannot understand why a 3rd person who I think was a
member of the Investigation Committee at some antecedent
stage before the proceedings actually started.
I don't know why he signed - that is Mr. Wong Hoo Tung.
There it is, it is a highly technical one even to this valid
40 point. It is a highly technical one. I only mentioned it
because I don't think he should have signed that report he
didn't hear any of the evidence or the submissions. Then
he shouldn't have put his name to it. That's not really
important. But the other 3 points Mr. Chairman, each
of them individually is the highest importance because
you see it is not simply a question that Mr. Tan Choon
Chye

This is a vital importance to your profession and to those
coming afterwards and any ruling you make today must in

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the nature of things appear a ruling which will set a precedent and you must dismiss in your minds I think your own private views of the consequences of your rulings. You've simply here to do an objective justice which means taking an objective interpretation of the rules. The consequences are not for you, they are for somebody else in their wisdom either to, if they wish to amend things, if they think your ruling now is not good enough. If you adopt it, if you are with me, if you accept my submissions, there wouldn't be any need to make any alterations because you are simply interpreting what the law should be and if you accept my submissions you are simply saying that we interpret this strictly. You must dot your i's and cross your t's and in future no doubt will be done. What happens to Mr. Tan Choon Chye as a result of your ruling its beside the point. I don't think I can assist the Board further.

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Mr. Allan Wong: Mr. Chairman, Mr. Ng has managed to retrieve the reverse of the cheque. If Mr. Hilborne is still interested, perhaps.

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Mr. Hilborne: It's not a very clear signature. It appears to be the same signature.

Mr. Allan Wong: Mr. Chairman, would you like this to be admitted or I can give it back to Mr. Ng

Mr. Lim Chor Pee: Are you making any point out of this?

Mr. Allan Wong: Then I can return this to Mr. Ng. Thank you Mr. Chairman. I'm here purely to assist the inquiry. But I may have different interpretation as far as the points that are brought up by Mr. Hilborne are concerned. I think on the 1st point is the letter of 1st April 1976. I think Mr. Hilborne's case refers to the Criminal Procedure wherein a complaint means a complaint laid before a Magistrate and that's not truly applicable to this particular case. Looking at the words of the letter of 1st April 1976 it is written in all seriousness about professional conduct of Mr. Tan by the Director of CPIB and in any case, if I may draw an analogy, if Police investigation is started without a Police report or a prosecution is started without a complaint, it will not initiate the proceedings. This is to draw an analogy in cases of criminal procedure. This is the 1st point of Mr. Hilborne.

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Secondly Mr. Hilborne may've a point in that if Mr. Tan

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Choon Chye were not the accountants of Yung Wah and he was not the person making the application, maybe he has a point in the inside and outside office. But in this particular case, Mr. Tan was paid a retainer fee, he was paid a sum which Mr. Lou cannot remember as for the application in this particular case. If he were the auditors and accountants of that particular company and he made the application to the EDB as a public accountant and he behaved in the manner that we've heard evidence been given, it would be grave impropriety on his part in a professional respect. I think these are the only 2 observations that I have to assist the Committee.

Mr. Lim Chor Pee: Perhaps you will give us a few minutes.

(Messrs. Allan Wong, Hilborne and Tan Choon Chye take leave of the meeting. On their return, the hearing continues).

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Chairman: Mr. Hilborne, on your 1st submission, we rule that there is a formal complaint. On your 2nd submission, we rule that a statutory declaration is not absolutely necessary especially so in this case when the complaint is made by the Director of CPIB, not from anyone - it is from the CPIB. 3rd submission is - we rule that if it is not there as it does not really prejudice this your defence it is of course for the Committee to decide whether the evidence supports any or all of the alleged offences. The 4th submission of yours we noted it down and we rule that it is not really material whether the 3rd member of the Committee did sign. So would you like to put a case for your client, Mr. Hilborne?

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Mr. Hilborne: My client doesn't propose to call any evidence and so beyond those submissions which may become necessary later. I'm happy to stand on those submissions and then see what your Board's ruling, findings are.

Mr. Lim Chor Pee: Your client does not intend to give evidence before the Committee on any aspects of the evidence which has been laid this morning?

Mr. Hilborne: No.

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Mr. Lim Chor Pee: You're not seriously challenging any of the evidence apart from those you've put questions in cross examination?

Mr. Hilborne: Well, it's very fairly obvious that we do

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challenge one or two questions regarding the facts notably the question of \$50,000 perhaps as a formality beyond that we shan't be

Mr. Lim Chor Pee: I think the more serious question is this - whether or not your client admits it is bribe money. That is, there have been evidence so far and presumably that has not been disputed that your client knew that the money was to bribe Mr. Wan.

Mr. Hilborne: That is not the nature of money whether one on Mr. Wan's evidence could call it a bribe. I begin to wonder having heard and in my submission of proper interpretation of Mr. Wan's evidence is no more than a cynosure. He was going to do his job anyway and that to me is the result of Mr. Wan's evidence, accepting a bribe as an inducement to do something which a person would not otherwise do. It seems to me what Mr. Wan was doing he says he couldn't believe it. It was a donation, he is going to do it anyway; it's a voluntary gift so that was right to call it a bribe, I don't know, I wouldn't have thought it was.

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Mr. Lim Chor Pee: I mean won't you like to submit on that and if you are saying that this is just a gift and Mr. Tan is the carrier of that gift to Mr. Wan. Are you saying that this is an innocent act of no great consequence and that does not amount to any professional misconduct.

Mr. Hilborne: Indeed. This is a question of submission. I agree. There is a vast difference between gratitude and bribe, and being simply a carrier of a gift.

Mr. Lim Chor Pee: But anyway the point is this, if you're not calling any oral evidence, are you going to make a submission now?

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Mr. Hilborne: I suppose it would be the proper time.

Mr. Lim Chor Pee: If you have no other evidence to call.

Mr. Hilborne: Yes, that is I am not calling any evidence but if I may make my submission now I'll continue on what has started already - that is the main, what has emerged this morning the only points of importance as far as my client is concerned is the evidence of Mr. Wan. As I've just said I think it is pretty apparent when you examine the nature of the transaction of what happened it takes the sting out of what is the accusation of the CPIB. No doubt from their point of view, a government

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agency which is set up to control and safeguard the
rectitudes of the conduct of the government servants.
They're not concerned with the niceties of whether one
is a carrier of gift or bribe, to them it's all the same
thing. But when you come to examine the behaviour
of Mr. Tan Choon Chye it is very much the concern of
this trial that may not be for the CPIB to examine what
the nature of business and it is quite clear what Mr.
Wan said that he regarded this as manna from heaven.
10 Most astonishing gift - he is going to do his job anyway
and it was not a bribe in the real sense at all and which
is as I said just now an inducement to compell someone
to do what he won't otherwise do. The crux of the basis
of Mr. Wan's evidence, is that Mr. Tan is no more the
carrier of the gift. Now what it is, if you look at it in
that light. What is heinous about that? I submit,
nothing. It is possible to infer into the Act all sorts of
sinister but if it is not a bribe and if from the fair
reasoning of the evidence of Mr. Wan himself, you must
20 in my submission judge Mr. Tan Choon Chye on the
evidence. There is nothing else to judge by and he has
done nothing more in that case and give Mr. Wan some-
thing which in no way or no significant way according to
Mr. Wan's own submission, influence matters at all and
that in my submission shows that there is nothing serious
in this matter. It may have been indiscreet. But an
indiscretion falls far short of a professional crime or
misdemeanour and it is very necessary, Mr. Chairman,
30 for you and the members of your Board to bear that dis-
tinction in mind because we all commit indiscretions and
since persons are all professionals and we're going to be
in jeopardy in our own profession. Our whole professional
life is going to be in jeopardy because of indiscretion as
opposed to serious misdemeanours. Well then, perhaps
that's all. There is a very real distinction between the
word indiscretion and misdemeanour and on the evidence
put forward this morning, I submit that now if it wasn't
clear before but it's crystal clear now. What we're
40 really concerned with here is an indiscretion and no more;
and you should be guided by that distinction. I don't think
it is necessary to go through all the other evidence that is
not really material, that is the sole important point which
emerges from this morning's proceedings.

Chairman: What was the intention of the gift or whatever
you call it?

Mr. Hilborne: That has been emerged as you see, a lot of
these things Mr. Chairman, as you know are very often
done to expedite, to facilitate matters and that is quite

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different to - I mean oiling the wheels is different from oiling the palms if I may put it that way. It is perfectly legitimate to expedite things to facilitate things and people show their gratitude. We have this problem every Chinese New Year - maybe Christmas time. What is an expression of gratitude or thanks or what is a bribe; where, which line does it fall and something has to be pretty clear and pretty sinister to be a bribe. Looking at this nothing more oiling the wheels and getting it done quicker and showing a bit of gratitude - that is not a bribe. 10

Chairman: If you were doing it instead of Mr. Tan, you were in the shoes of Mr. Tan as a solicitor, would you think you will be affected by your rules of the Law Society.

Mr. Hilborne: No, I don't think so. I think I will be a little more careful Mr. Chairman. I don't know what Mr. Lim Chor Pee will say - I would record in writing what I was doing before. If Mr. Tan recorded in writing what he was doing, and so stood up and said I did this - so what? Instead he went on doing it and then getting caught up, no one likes being with the CPIB and finding the whole thing sinister and you no doubt are caught up with the wheels. Mr. Tan didn't act this way and when it all happened possibly didn't act in his own interest. I see no reason why anyone shouldn't do this kind of thing - carrier of gifts at all. But I think having regard to the fact that it is an act that can be misconstrued I would have been careful to record in writing what I was about to do because it identifies one who looks at it is quite open, I will dictate to my secretary what I was going to do. Ask her when I dictate it, it's quite open, I did this and I did that. I have a 3rd party present and what was going on. I did it in my office. This is it. This is the way I think I would go about it. 20 30

Mr. Lim Chor Pee: Perhaps Mr. Wong can assist the Committee here on this point that if Mr. Tan had not been given an amnesty by the Attorney-General, would the evidence constitute an offence under this part under the Prevention of Corruption Act. 40

Mr. Allan Wong: Very clear case.

Mr. Lim Chor Pee: Mr. Hilborne has said that it is not bribe money, it is a gift. Would you like to submit on that?

Mr. Allan Wong: Firstly if I may, from the recollection of Prevention of Corruption Act, there is a presumption of corruption. The minute any gratification passes from one person to another person, if the other person is a government servant, then it is presumed that the transaction is corrupt; so on the set of facts if Mr. Tan had not been given the amnesty there would certainly be a conviction. Regarding the second point, it's just that in human conduct and human business affairs, nobody admits that it is a bribe. They call it "coffee" money they call "tea" money, and in Hong Kong they call it "stake" money. It has to be decided by the Chairman and the Committee from the circumstances of the case. I'll only draw the Committee's attention to the following circumstances :-

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Mr. Tan is a Public Accountant.

Mr. Wan is an officer of the EDB.

Mr. Tan has previous dealings with the EDB and Mr. Lou's evidence is very clear that the \$50,000/- he understood that to be expenses for entertainment. It's not a gift because a gift refers to something as a reward after the whole favour has been done. This was promised before anything was done. It is an inducement, a verbal inducement. Look if you do this, I'll give you that after the event. It's not a case of a genuine appreciation after a good job has been done. Apart from that Mr. Chairman I would just mention the following points that if it were a matter of gift; why \$50,000 cash without a receipt.

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Mr. Lim Chor Pee: It's a fact that it was unsolicited, makes any difference as Mr. Wan said. He never asked any money.

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Mr. Allan Wong: The minute money passes, the law presumes that it is corrupt, and Mr. Wan did mention in his evidence that it was a risky thing to do in Singapore and apart from that, I'll only mention the fact that Mr. Wan did make extra efforts after he had been greased or oiled otherwise the information which he would not have given would not have been passed to Yung Wah and Yung Wah's application might be only speculative, might not have succeeded without his expert advice. I think that's about all I would like to draw the Committee's attention to.

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Chairman: With regard to the evidence here, there was in fact not just one case of \$50,000. There were other cases.

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Mr. Allan Wong: I would invite the Committee to totally disregard those things mentioned. I'm sorry I've not mentioned it earlier. In fact what I intended to do is to ask Mr. Ng to read out only paragraphs 2, 3, & 4 and that is all. Because if I ask Mr. Ng to leave out 2, 3 and 4 I may be accused of hiding something in this statement. So to make the record straight, I asked him to produce all the evidence of what Mr. Tan told him. I would urge the Committee to disregard the other sums mentioned.

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Adjourned to 14th September 1977.

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SINGAPORE SOCIETY OF ACCOUNTANTS

14th September, 1977

9.30 a.m.

Disciplinary Committee

Tan Choon Chye S34(1)(b) Cap. 212

Mr. Kon Yuen Kong - Chairman)
Mr. Chua Kim Yeow - Member) Disciplinary
Mr. Lim Soo Guan - Member) Committee

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Mr. Ng Song Piak - Registrar
Mr. C.L. Batchelor - Assisting the Registrar
Mr. Lim Chor Pee - Legal Adviser to D.C.
Mr. Allan Wong - Counsel for Society

Mr. K.E. Hilborne for Accountant concerned.

Chairman: We deliberated this matter after yesterday's hearing and the Committee finds that the charge against Mr. Tan Choon Chye has been proved and that he is guilty of grave impropriety in a professional respect. Would you like to make any mitigation?

30

Mr. Hilborne: Yes, I would Mr. Chairman, although I should be quite short. It seems to me that what I have said in a few short sentences, of course I have to accept not only your finding but that part of your finding which decrees that my client has been found guilty. In a profession that is part of my submission yesterday I must assume that that finding arises of the fact that although

the act itself cannot be said to be in any way as I said
yesterday connected with the work of a public
accountant nevertheless I think you must take the
view that he was employed by this Taiwanese company
for a while and the act arose out of employment so it
is a one step removed. Therefore, you must con-
sider that that was good enough to bring it within the
ambit of professional conduct. I am making an
assumption because no other assumption is valid.
10 Very well, but you now have to consider what you
should do on the question of penalty. Of course in a
sense this is the more important which I should like the
penalty which is listed on a professional man when he
strayed from the straightened path. I can only convey
to you - one is bound to take a subjective view - what
would you do. What would you think in the circum-
stances and I can only give you the benefit of those views
although varying forms of submissions are now these :-
20 Let us go to the extreme end of the scale. The extreme
end as I understand in this case are - striking off - I may
not be using the right words - but anyway, it amounts to
that or what is nearly as bad - a suspension for a long
term. I urge your Committee to be and I am sure you
will but I think it is a great danger particularly when
you haven't had much experience where I gather it is
the case in Singapore because it is the case of all pro-
fessions in Singapore up to a point. They are all rather
young - they haven't got enough precedence to guide them
and this is quite important. It is quite important as far
30 as my client is concerned if you err on the side of gravity.
It is very important as far as future misdemeanour is
concerned because this case will inevitably become a
precedent for them so it is not only my case you are
dealing with. You are dealing with the whole theory
present. You will be looking back on this. This case
strikes me as being isolated and may I say just where you
found it in a professional respect. It is only just within
an ambit because of the employment - isolated and only
just professional. This is not the kind of case where
40 either you could strike a man off which is to keep the
road clear or for a long period. On the other hand, the
other side of the coin, if you like, it seems to me that I
would not legitimately and with any hope of persuading
submit that this is a case where a fine will satisfy the
case. I submit that taking a balanced view, looking on
all the circumstances of the case, weighing it up as an
act of gross folly that suspension for some months and
I don't feel it would be proper for me to go any further
than that because I think it would be impertinent for me
50 to suggest how many months because I just want to convey

Disciplinary
Committee

No. 5

Notes of
Proceedings

14th September
1977

continued

to you that that is the kind of punishment which seems to me to fit this case. But you will gather from that that some months you have a rough idea of what I have in mind and I urge you to adopt that approach in this case. To regard it as a case where suspension for some months is the proper and adequate penalty. It seems to me that anything below that you might say - contemplating a fine would be adequate. Anything seriously about that I feel would be wrong in a dual capacity as I pointed out. I don't think I can add to that. That is my submission.

10

Chairman: Mr. Wong, have you anything to say?

Mr. Allan Wong: No.

Chairman: We will give you a written judgment say in a week's time. The meeting is adjourned.

Certified Correct. Signed KON YUEN KONG
Chairman, Disciplinary Committee.

No. 6

No. 6

Order

Order

22nd September
1977

IN THE MATTER OF THE ACCOUNTANTS ACT
AND
IN THE MATTER OF DISCIPLINARY INQUIRY CONCERNING
MR. TAN CHOON CHYE

20

ORDER OF THE DISCIPLINARY COMMITTEE

By a report dated 16th March 1977, the Investigation Committee under the Accountants Act referred to us the matter concerning a complaint against Mr. Tan Choon Chye.

By a letter dated 28th June 1977, the Disciplinary Committee informed the said Mr. Tan Choon Chye of its intention to hold an inquiry into the complaint against him and setting out the following charge :-

"The charge against you is that you acted as an intermediary in your capacity as a practising accountant in connection with a bribery offence, to wit, you collected \$50,000/- from one Lou Chih Chung, an Industrialist, and gave this money as a bribe to Wan Ming Sing, a Project Officer of The Economic Development Board as a favour for showing consideration for an application for registration under the Control of Manufacture Act, thereby committing grave impropriety or infamous

30

conduct in a professional respect in the performance of your professional duties that is discreditable to an accountant so as to render the exercise of the power of the Disciplinary Committee expedient in the interests of the public or of the Society."

Disciplinary
Committee

—
No. 6

Order

22nd September
1977

continued

10 The proceedings of the inquiry were held on 26th July, 13th and 14th September 1977 in the presence of the said Mr. Tan Choon Chye and his counsel, Mr. K.E. Hilborne. Mr. Alan Wong, advocate and solicitor, was appointed by the Singapore Society of Accountants to lead the evidence. The Disciplinary Committee was assisted by its legal adviser, Mr. Lim Chor Pee.

After hearing all evidence and considering the documents tendered and submissions made at the inquiry, the Disciplinary Committee finds that the charge against Mr. Tan Choon Chye has been proved and that he has been guilty of grave impropriety in a professional respect.

20 The Disciplinary Committee hereby orders that the name of Mr. Tan Choon Chye be removed from the Register of Accountants under the Accountants Act.

The Committee further orders that Mr. Tan Choon Chye do pay the costs and expenses of and incidental to the inquiry amounting to \$5,546/- to be paid to the Singapore Society of Accountants.

Dated this 22nd day of September 1977.

Chairman: Sd. (Mr. Kon Yuen Kong)

Member: Sd. (Mr. Chua Kim Yeow)

Member: Sd. (Mr. Lim Soo Guan)

Grounds of Decision

DISCIPLINARY COMMITTEE

In the matter of the Accountants Act (Cap 212)

and

In the matter of Tan Choon Chye

GROUNDS OF DECISION

A written complaint dated 1st April 1976 was made by Corrupt Practices Investigation Bureau to the Registrar of this Society ("Society") relating to the abovenamed Tan Choon Chye ("Accountant Concerned") of Messrs. Tan Choon Chye & Co. The written complaint alleged that the Accountant concerned collected \$50,000 from a client and gave the money as a bribe to a Project Officer of EDB for considering an application for registration under the Control of Manufacture Act and that in a statement made by him the Accountant concerned had admitted the truth of the allegation. 10

We heard the complaint in the presence of Counsel for the Society and for the Accountant concerned.

Counsel for the Accountant concerned made the following preliminary points in his submissions :- 20

1. In the absence of any specific and clear power vested in the Society to conduct disciplinary proceedings, the Disciplinary Committee had no authority to hear the case. He was of the view that Section 6 (a) of the Accountants Act (Cap 212) which sets out the purposes of the Society "to register and to regulate the practice of the profession of accountancy" was not wide enough to encompass a whole lot of disciplinary proceedings. The other later provisions in the Accountants Act (Cap 212) only enable the making of rules and refer to the procedures of the Investigation Committee and the Disciplinary Committee. These later provisions do not give any powers or authority to take disciplinary measures against members. 30
2. There was no formal charge given to the Accountant concerned as the Society's letter to the Accountant concerned dated 28th June 1977 could not be considered as any sort of formal charge. 40

The case for the Society on the first preliminary point is that there is a doctrine in law to give effect to the intention of the legislation, because if Counsel for the Accountant concerned is correct, there will be no Disciplinary Committee in Singapore to regulate the conduct of accountants and the general rule of interpretation is to give effect to instead of frustrating the intention.

Disciplinary
Committee

—
No. 7

Grounds of
Decision

30th November
1977

continued

10 We are satisfied that the Accountants Act (Cap 212) contains clear provisions concerning the appointment of the various committees - Investigation and Disciplinary Committees and vesting in them with the necessary powers in Section 34. The fact that the general provisions in the earlier part of the Act do not set out all the detailed provisions of the rest of the Act does not mean that the Society has no power to deal with disciplinary matters affecting members of the Society. We rule therefore that the Disciplinary Committee has the power to conduct the proceedings.

20 The case for the Society on the second preliminary point is that the Society's letter dated 28th June 1977 provides more than adequate notice to the Accountant concerned. As this is a Disciplinary Inquiry, the rules of natural justice apply.

We are satisfied that the letter of 28th June 1977 gives more than sufficient notice to the Accountant concerned. The Accountant concerned has not in any way been prejudiced because more than sufficient particulars of allegations have been given to him.

30 The first witness called by the Society's Counsel was one Mr. Lou Chih Chung (hereinafter referred to as Mr. Lou) Chairman of Yung Wah Industrial Co. Pte Ltd. The following facts given by Mr. Lou were not challenged by the Counsel for the Accountant concerned :-

- (i) Since the inception of Yung Wah Industrial Co. Pte. Ltd. (the Company) the Accountant for the Company has been Mr. Tan Choon Chye.
- (ii) During discussions between Mr. Lou and the Accountant concerned in October 1971, the Accountant concerned mentioned that he needed \$50,000 as expenses to apply for a manufacturing licence. The Company pays a retainer fee every year to the Accountant concerned.
- (iii) Subsequently, the Accountant concerned submitted an application to EDB for a manufacturing licence.

Disciplinary
Committee

No. 7

Grounds of
Decision

30th November
1977

continued

- (iv) The application was approved in the form of a letter dated 4th December 1971 from EDB (Exhibit "A").
- (v) Cash of \$50,000 was drawn on 6th December 1971 by Mr. Lou by cheque (Exhibit "B") from a Mr Hsia's account with Hongkong Shanghai Banking Corporation, Collyer Quay Branch, Singapore, and this cash of \$50,000 was handed to the Accountant concerned but no receipt was obtained.

The second witness called by the Society's Counsel was Mr. Wan Ming Seng (Mr. Wan), Project Officer with the Economic Development Board, Singapore, from August 1971 to 20th November 1974. We noted in the evidence given by Mr. Wan the following :-

10

- (a) On 26th December 1975 Mr. Wan was charged with an offence of corruption under Section 6 (a) of the Prevention of Corruption Act before Court No. 5 in the subordinate courts, Republic of Singapore. Certified copy of notes of evidence of this hearing was tendered as Exhibit "C". The Statement of facts admitted in that court proceedings is attached to Exhibit "C" and shows that the Accountant concerned acted as an intermediary in his capacity as a practicing accountant in connection with a bribery offence, to wit, he collected \$50,000 from Mr. Lou and gave this money as a bribe to Mr. Wan as a favour for showing special consideration for an application for registration under the Control of Manufacture Act.

20

- (b) Mr. Wan did make extra efforts after he was promised the gratification, otherwise the Yung Wah Industrial Co. Pte. Ltd might not have succeeded without his expert advice and assistance.

30

The third witness called by the Society's Counsel was Mr. Ng Kit Hong (Mr Ng) who is the Chief Special Investigator of the Corrupt Practices Investigation Bureau. On the morning of 3rd January 1975 Mr Ng questioned the Accountant concerned about the alleged transaction. The Accountant concerned refused to give any statement about this matter unless he was given an amnesty. He was subsequently given an amnesty in that there would be no criminal prosecution against him. Several statements were given by him and were recorded under section 26 of the Prevention of Corruption Act and these statements were given voluntarily by him. These statements are marked Exhibits "D" "E" "F" "G" and "H". Paragraph 4

40

of Exhibit "D" and paragraphs 16 and 17 of Exhibit "F" show that he admitted acting as intermediary in connection with the bribery offence.

Disciplinary
Committee

No. 7

Grounds of
Decision

30th November
1977

continued

10 Counsel for the Accountant concerned submitted firstly that the letter of 1st April 1976 from the Corrupt Practices Investigation Bureau was not a complaint within the meaning of Section 33(1) of the Accountants Act (Cap 212). Secondly he submitted that even if it was a complaint it should be supported by a statutory declaration under Section 33 (2). Thirdly he submitted that the formal charge contained in the Society's letter of 28th June 1977 was bad because the Society could not charge a man with all four acts under Section 34(b) of the Accountants Act (Cap 212). He claimed it was a rolled up charge. Fourthly, he submitted that the Investigation Committee report dated 16th March 1977 was signed by 3 persons when only two members of the Investigation Committee sat on the proceedings of the case, but he placed no great importance on the fourth point as it was a technical one.

20 On the first submission of the Counsel for the Accountant concerned, we rule that there is a formal complaint as the letter of 1st April 1976 is written in all seriousness about the professional conduct of the Accountant concerned.

On the second submission we rule that a statutory declaration is not absolutely necessary, especially so in this case when the complaint is made by the Director of CPIB.

30 On the third submission, we rule that it does not prejudice the defence as it is for the Disciplinary Committee to decide whether the evidence supports any or all the alleged offences.

On the fourth submission, we rule that it is not really material whether the third member of the Investigation Committee signed the said report of 16th March 1977.

The Counsel for the Accountant concerned did not call any evidence but further made the following submissions :-

- 40 (a) The \$50,000 given to Mr. Wan was not a bribe. It was in the nature of a voluntary gift, and the Accountant concerned was the carrier of that gift.
- (b) It was an innocent act of no great consequence and that did not amount to any professional misconduct.

Disciplinary
Committee

No. 7

Grounds of
Decision

30th November
1977

continued

(c) It was an act of indiscretion which falls far short of a professional crime or misdemeanour.

Counsel for the Society in reply made the following submissions :-

(a) According to the Prevention of Corruption Act, the minute any gratification passes from one person to another person, if the other person is a government servant, then it is presumed in law that the transaction is corrupt. On the facts as presented, if the Accountant concerned had not been given the amnesty there would certainly be a conviction. Although the gratification was unsolicited, the minute money passes, the law presumes that it is corrupt. 10

(b) The Accountant concerned is a Public Accountant. Mr. Wan is an Officer of EDB. The Accountant concerned had previous dealings with EDB. Based on Mr. Lou Chih Chung's evidence, it is clear that the \$50,000 was for entertainment expenses. It is not a gift because a gift refers to something as reward after the whole favour has been done. This was promised before anything was done. It was a verbal inducement. If it was a gift, why was the \$50,000 cash given without a receipt. Payment was made in his professional capacity as a paid accountant of Yung Wah Industrial Co. Pte. Ltd. 20

We have considered the submissions of the Counsel and the evidence called by the Counsel for the Society. We find without a shadow of doubt the charge against the Accountant concerned has been proved. Accordingly, we rule that he is guilty of grave impropriety in a professional respect. 30

We invited Counsel for the Society and the Accountant concerned to address us on the exercise of our powers under Section 34(3) of the Accountants Act (Cap 212). Having heard Counsel and having considered the circumstances attending the case, we in the exercise of our discretion decide that we should cause the name of the Accountant concerned to be removed from The Register of Accountants with the effect that the Accountant concerned shall cease to be a member of the Society. 40

Kon Yuen Kong
Chairman
Disciplinary
Committee

Chua Kim Yeow
Member
Disciplinary
Committee

Lim Soo Guan
Member
Disciplinary
Committee

Dated: 30th November 1977

No. 8
IN THE HIGH COURT

Notice of Appeal

NOTICE OF APPEAL TO HIGH COURT

District Court Appeal)
No. 70 of 1977)

In the High
Court

No. 8

Notice of Appeal

12th October
1977

IN THE MATTER of the disciplinary proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

10

AND

IN THE MATTER of Section 35 of the Accountants
Act (Chapter 212)

BETWEEN

TAN CHOON CHYE

Appellant

AND

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

NOTICE OF APPEAL

20 TAKE NOTICE that TAN CHOON CHYE the defendant
in the above proceedings appeals to the High Court of the
Republic of Singapore against the whole of the decision of
the Disciplinary Committee given on the 22nd day of
September, 1977.

Dated this 12th day of October, 1977.

SOLICITORS FOR THE APPELLANT

The address for service of the Appellant is at the office of
Messrs. Hilborne & Company, Advocates and Solicitors,
No. 701, Colombo Court, Singapore, 6.

30 To: The Chairman of the Disciplinary Committee,
c/o Registrar, Singapore Society of Accountants,
Singapore.

And

Messrs. Lee & Lee,
Solicitors for Singapore Society of Accountants,
Singapore.

In the High
Court

No. 9

Petition of
Appeal

27th December
1977

No. 9

IN THE HIGH COURT

Petition of Appeal

DISTRICT COURT APPEAL)
NO. 70 OF 1977)

IN THE MATTER of the disciplinary proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

AND

IN THE MATTER of Section 35 of the Accountants
Act (Chapter 212)

10

BETWEEN

TAN CHOON CHYE

Appellant

AND

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

To the Honourable the Judges of the Supreme Court.

The Petition of the abovenamed Appellant showeth :

1. The appeal arises from the following alleged charge
preferred by the Disciplinary Committee against the
Appellant, namely :-

20

" The charge against you is that you acted as an
intermediary in your capacity as a practising
accountant in connection with a bribery offence,
to wit, you collected \$50,000.00 from one Lou
Chih Chung, an Industrialist, and gave this money
as a bribe to Wan Ming Sing, a Project Officer of
The Economic Development Board as a favour for
showing consideration for an application for
registration under the Control of Manufacture Act,
thereby committing grave impropriety or infamous
conduct in a professional respect in the perform-
ance of your professional duties that is discredit-
able to an accountant so as to render the exercise
of the power of the Disciplinary Committee
expedient in the interests of the public or of the
Society. "

30

2. By an Order of the Disciplinary Committee dated 22nd day of September 1977 the Disciplinary Committee found that the alleged charge against the Appellant had been proved and that he had been guilty of grave impropriety in a professional respect and ordered that the Appellant's name be removed from the Register of Accountants under the Accountants Act, and it was further ordered that the Appellant pay the costs and expenses of and incidental to the inquiry amounting to \$5,546.00 to be paid to the Respondents.

In the High Court
No. 9
Petition of Appeal
27th December 1977
continued

3. Your Petitioner is dissatisfied with the said order on the following grounds :-

- (1) That Disciplinary Committee were wrong in treating the letter dated the 1st April 1976 from the Corrupt Practices Investigation Bureau as a complaint within the meaning of Section 33(1) of the Accountants Act (Cap. 212), since (2) there was no relationship of accountant and client between the Appellant and the said Bureau and in any event (b) the said letter was no more a statement of facts arising in criminal proceedings involving a third party.
- (2) Even if the said letter properly treated as a complaint, nevertheless it ought to have been supported by a statutory declaration under Section 33(2) of the Act. The Disciplinary Committee erred in their interpretation of that section and ought to have held that the discretion accorded thereby to the Registrar related only to the number of statutory declarations that ought to be reasonably required in support of the said complaint.
- (3) The charge against the Appellant was bad in that it ought to treat Section 34(b) of the Act as disclosing one homogeneous offence whereas in fact it embraces several distinct offences and the charge or charges against the Appellant ought to have disclosed which offence or offences was or were being alleged against him.
- (4) If the said Section relates to only one homogeneous offence then the Appellant ought to have been discharged and acquitted on the ground that all the ingredients of such offences were not proved against him.

In the High
Court

No. 9

Petition of
Appeal

27th December
1977

continued

(5) The Disciplinary Committee erred in failing to draw up a formal charge or charges against the Appellant, and they ought not to have embarked on the enquiry against the Appellant until they were satisfied that the procedural rules clearly contemplated by the Act relating to (inter alia) the formulation of charges and the conduct and procedure of the Committee had been made by the appropriate authority.

(6) The Disciplinary Committee ought to have held that upon a strict construction of the provisions of the Act, which they ought to have embarked upon in the circumstances, there were no powers or no adequate powers vested in the Disciplinary Committee to hold an investigation or inquiry into the charges alleged against the Appellant. 10

(7) The order made against the Appellant in respect of costs was made without jurisdiction, or, alternatively, the same was incorrectly computed and was excessive. 20

4. Your Petitioner prays that such order may be reversed.

Dated the 27th day of DECEMBER, 1977.

Sgd. HILBORNE & CO.

SOLICITORS FOR THE APPELLANT

To:-

The Registrar,
Subordinate Courts,
Havelock Road, Singapore. 30

The Chairman,
Disciplinary Committee,
c/o Registrar,
Singapore Society of Accountants,
Rooms 3 and 8,
No. 15-B, Amber Mansions,
Orchard Road, Singapore, 9.

And to the abovenamed
Respondents and their Solicitors,
Messrs. Chor Pee & Hin Hiong 40
9th Floor, U.I.C. Building,
Shenton Way, Singapore, 1.

No. 10
IN THE HIGH COURT
Notes of Proceedings

In the High
Court

No. 10
Notes of
Proceedings
14th February
1979

District Court)
Appeal No. 70 of)
1977)

IN THE MATTER of the disciplinary proceedings
before the Disciplinary Committee concerning
TAN CHOON CHYE

10

And

IN THE MATTER of Section 35 of the Accountants
Act (Chapter 212)

Between

TAN CHOON CHYE

Appellant

And

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

14th February 1979

Coram: Wee, C.J.

20

Hilborne for appellant.
Wong for Resps.

Hilborne:

Appellant an accountant. Ordered by Disciplinary
Committee removal from Register of Accountants under Act
(Ch. 212 Vol. 7).

S. 33(1) "formal complaint".

Submit mean something particular in law i. e.

(a) an utterance of a grievance by person in writing
mentioning grievance of person against whom grievance
is held, and

30

(b) must emanate from a client.

Penal provisions - principle of strict construction.
Submit here no formal complaint. A mere transfer
of information by CPIB to the Society.

In the High
Court

No. 10

Notes of
Proceedings

14th February
1979

continued

(No answer to query by Court as to words "any person" except that it must be qualified by the words following in S. 33(1)).

See actual CPIB letter of 1/4/76 at pgs. 8-9. My submission at p. 67. Also see S. 33(3). On our facts - see pg. 25 Society dealt with it as a complaint under S. 33(1). Also non-compliance under S. 33(2) - statutory declaration.

Another Ground:

Charge - no formulation of charge. See S. 34(b). Submit in proceedings of this kind it is not sufficient to comply with rules of natural justice. There must be particulars of the alleged offence, particularly because if you look at S. 34(1)(b) it is obvious that particularity is required. Vital to know what offence under 34(1)(b) is alleged to have been committed. (But see pg. 25 4th para.) I am submitting that you can't charge in alternative.

10

Another Ground:

Disciplinary Committee have power to hear matter. Submit it did not. Act clearly contemplates rules of the Society being made by the Society (See S. 34(1) and S. 8). As no rules have been made by the Society submit Disciplinary Committee has no power to enquire into any matter. It can only function when rules have been made by the Society.

20

Costs:

S. 34(3)(e). S. 34(5). Question is what are "costs". See affidavit of Registrar - \$3,800 - Legal Advisors Fees. Submit that is not "costs".

Wong:

30

On 1st ground - formal complaint. Submit letter is "formal complaint" within meaning of S. 33(1) - see Harmon's case (1880) 6 Q.B. 323 at 328.

2nd ground - charge point - submit rolled up or alternative charges permissible provided they all relate to the same incident. R v. Clow (1963) 2 A.E.R. 216. S.A. de Smith (2nd Ed.) 180. Teh's case 1937 M.L.J. at 167.

Costs:

S. 34(3)(e) - see pg. 90 - not just costs.

Hilborne:

Court:

C.A.V.

Intld: W.C.J.

In the High
Court

No. 10

Notes of
Proceedings

14th February
1979

continued

No. 11

Judgment of The Honourable The Chief Justice

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

10 District Court Appeal)
No. 70 of 1977)

No. 11

Judgment of
The Honourable
The Chief
Justice

27th March 1979

IN THE MATTER of the disciplinary proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

And

IN THE MATTER of Section 35 of the Accountants
Act (Chapter 212)

Between

TAN CHOON CHYE

Appellant

20

And

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

Coram: Wee Chong Jin, C.J.

JUDGMENT

30

The appellant, Tan Choon Chye, an accountant, after an inquiry, was on the 22nd September, 1977, by an order of the Disciplinary Committee appointed under Section 32(b) of the Accountants Act (Chap. 212) found guilty of grave impropriety in a professional respect and it was further ordered that his name be removed from the Register of Accountants kept under the said Act. The appellant was also ordered to pay the costs and expenses of and incidental to the inquiry amounting to \$5,548.00.

In the High
Court

The charge against him before the Disciplinary
Committee reads as follows :-

No. 11

Judgment of
The Honourable
The Chief
Justice

27th March 1979

continued

"That you acted as an intermediary in your capacity as a practising accountant in connection with a bribery offence, to wit, you collected \$50,000 from one Lou Chih Chung, an industrialist, and gave the money as a bribe to Wan Ming Sing, a Project Officer of the Economic Development Board, as a favour for showing consideration for an application for registration under the Control of Manufacture Act, thereby committing grave impropriety or infamous conduct in a professional respect in the performance of your professional duties that is discreditable to an accountant so as to render the exercise of the powers of the Disciplinary Committee expedient in the interests of the public or of the Society."

10

The charge arose out of a letter dated 1st April 1976 from the Director of the Corrupt Practices Investigation Bureau to the Registrar appointed under Section 22(1) of the Act which reads as follows :-

20

"Enclosed herewith is a copy of Summary of Essential Facts which is self-explanatory.

2. It would appear from the results of our investigation that the said Tan Choon Chye, an accountant of M/s Tan Choon Chye & Co. did collect \$50,000/- from Lou Chih Chung, an Industrialist, and give the money as a bribe to Wan Ming Sing, a Project Officer of EDB for considering his application for registration under the Control of Manufacture Act for the manufacture of synthetic knitted garments, knitted fabric and texturised yarn and Tan Choon Chye has admitted so in a statement made by him.

30

3. Wan Ming Sing also obtained bribes through Tan Choon Chye from :

- a) Fong Kou Hwa - \$5,000/-
- b) Fong Kou Hwa - \$1,500/-
- c) Fong Kou Hwa - \$2,500/-

4. Wan Ming Sing, the Project Officer of EDB, who received bribes was charged in Court No. 5 and was convicted and sentenced to 1 year's imprisonment for receiving \$50,000/- and also

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was ordered to pay a penalty of \$50,000/- in default to undergo a further 6 months' imprisonment. The other 3 charges were withdrawn.

In the High Court

No. 11

5. Your Society may wish to take action against Tan Choon Chye who acted as the go-between for the purpose of obtaining the bribes and giving them to Wan Ming Sing.

Judgment of
The Honourable
The Chief
Justice

6. I should be grateful if you would let me know results in due course."

27th March 1979

continued

10 The matter was referred to the Investigation Committee appointed under Section 32(a) of the Act which after investigation recommended that the matter be referred to the Disciplinary Committee. The Disciplinary Committee decided to hold an inquiry into the matter. At the inquiry the appellant was represented by counsel. After the close of the case against the appellant he elected to call no evidence. The Disciplinary Committee found him guilty of grave impropriety in a professional respect and made the orders we have earlier set out and from which he now appeals.

20 The first contention advanced on behalf of the appellant is that there was no "formal complaint" as required by Section 33(1) of the Act in that the letter of 1st April 1976 from the Director of the Corrupt Practices Investigation Bureau was not a "formal complaint" within the meaning of Section 33(1) of the Act. The material provisions of Section 33 read as follows :-

30 "33. (1) Any person who seeks to make a formal complaint that any member of the Society has done anything which renders the exercise of the powers of the Disciplinary Committee expedient in the interests of the public or of the Society shall make the complaint in the first instance to the Registrar of the Society.

(2) Every such complaint (other than a complaint made by a court) shall be in writing and shall be supported by such statutory declaration as the Registrar may require.

40 (3) Where the Registrar has received any complaint as aforesaid or where facts are brought to his knowledge which satisfy him that there may be grounds for such a complaint it shall be the duty of the Registrar to lay the complaint or facts, as the case may be, before the Investigation Committee which shall investigate the matter and determine

In the High
Court

No. 11

Judgment of
The Honourable
The Chief
Justice

27th March 1979

continued

whether or not it is to be referred to the Disciplinary Committee.

(7) Where the Investigation Committee determines that any matter investigated by it under this section should be referred to the Disciplinary Committee it shall be the duty of the Chairman of the Investigation Committee to refer the matter to the Disciplinary Committee."

The short and complete answer to this contention is to be found in Section 33(3) which requires the Registrar, where facts are brought to his knowledge to satisfy him that there may be grounds for such a complaint to lay the facts before the Investigation Committee which shall investigate the matter. In any event, I am of the opinion that the word "formal" in the expression "formal complaint" in Section 33(1) must be given its ordinary dictionary meaning of explicit and definite and in my judgment the letter of 1st April 1976 constitutes a formal complaint within the meaning of Section 33(1).

10

The next contention is that the Disciplinary Committee had no power to hear the matter placed before it. The argument is this: Section 8 enables the Council, with the approval of the Minister, to make such rules (in the Act referred to as "rules of the Society") as may be necessary or expedient for giving effect to the provisions of the Act and for the due administration thereof. Section 34 empowers the Disciplinary Committee, on a matter being referred to it by the Investigation Committee, "after due inquiry has been made in accordance with the rules of the Society", to exercise the disciplinary powers conferred on it by the Act. No rules of the Society relating to inquiries by the Disciplinary Committee have been made and accordingly, until such rules have been made, the Disciplinary Committee cannot lawfully hold any inquiry. In my opinion there is no substance in this contention, where no rules have been made to regulate the procedure to be followed during an inquiry, the Disciplinary Committee can lawfully exercise the disciplinary powers conferred on it by Section 34 if it conducts the inquiry in accordance with the rules of natural justice. It is to be observed that in the present case it is not contended that the rules of natural justice have not been complied with and indeed there could be no grounds for such a contention.

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The last main contention by Mr. Hilborne on behalf of the respondent is that because the charge failed to give particulars of the alleged offence one of the rules of natural justice has not been complied with. His submission

before me is that in proceedings of this nature the charge must contain particulars of the alleged offence and in the present case the charge failed to give particulars of the alleged offence because it is framed in the alternative by alleging "grave impropriety or infamous conduct in a professional respect." I find this submission entirely groundless. The particulars are clearly set out in the charge. His real complaint with regard to the charge as framed seems to be that it is bad because it is not permissible according to the rules of natural justice to frame in one charge two separate offences in the alternative. If that is his real complaint no authority has been cited to support this contention and I suspect none can be found because there is no such rule of natural justice. One of the requirements of natural justice is that a person must be given adequate notice of the case against him to enable him a fair opportunity of answering it. In the present case the charge contained particulars which clearly met this requirement.

In the High Court

————
No.11

Judgment of
The Honourable
The Chief
Justice

27th March 1979

continued

The last contention is that in respect of the order for costs, the amount fixed included an item for \$3,800/- as Legal Advisor's Fees which, it is submitted, should not be taken into account in fixing the amount of the costs. This argument disregards the provisions of Section 34(3)(e) of the Act which empowers the Disciplinary Committee to order the member of the Society concerned "to pay to the Society such sum as it deems fit in respect of the costs and expenses of and incidental to any inquiry."

For all these reasons the appeal is dismissed with costs.

Sd. WEE CHONG JIN

CHIEF JUSTICE,
SINGAPORE.

Singapore, 27th March 1979.

In the High
Court

No. 12

Order

27th February
1979

No. 12

Order

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

DISTRICT COURT APPEAL)
NO. 70 of 1977)

IN THE MATTER of the Disciplinary proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

And

IN THE MATTER of Section 35 of the Accountants
Act (Chapter 212)

10

BETWEEN

TAN CHOON CHYE

Appellant

And

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

ORDER

BEFORE THE HONOURABLE THE CHIEF JUSTICE

IN OPEN COURT

THIS APPEAL coming on for hearing this day in the
presence of Counsel for the Appellants and for the Respon-
dents And Upon Reading the Record of Appeal And Upon
Hearing Counsel for the Appellant and for the Respondents
IT IS ORDERED THAT :-

20

(1) This Appeal do stand dismissed with costs
to be taxed and paid by the Appellant to the
Respondents.

(2) The sum of \$250.00 paid into Court as security
of costs of this Appeal be paid out to Messrs.
Lee & Lee to account of the costs herein.

30

Dated the 27th day of March, 1979.

Signed :-

REGISTRAR

No. 13
Notice of Appeal

In the Court of
Appeal

IN THE COURT OF APPEAL IN SINGAPORE

No. 13

CIVIL APPEAL NO. 46 OF 1979

Notice of Appeal

26th April 1979

BETWEEN :

TAN CHOON CHYE

Appellant

AND

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

10

In the Matter of District Court Appeal No. 70
of 1977

In the Matter of the Disciplinary Proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

And

In the Matter of Section 35 of the Accountants
Act (Chapter 212)

BETWEEN

TAN CHOON CHYE

Appellant

And

20

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

NOTICE OF APPEAL

TAKE NOTICE that Tan Choon Chye, the abovenamed
Appellant being dissatisfied with the decision of the Honour-
able the Chief Justice Mr. Justice Wee Chong Jin given at
Singapore on the 27th day of March 1979 appeals to the
Court of Appeal against the whole of the said decision.

Dated the 26th day of April, 1979

SOLICITORS FOR THE APPELLANT

30 To the Registrar,
Supreme Court,
Singapore.

In the Court of
Appeal

No. 13

Notice of Appeal

26th April 1979

continued

And to the abovenamed Respondents
and to their Solicitors,
Messrs. Lee & Lee,
Singapore.

No. 14

Petition of Appeal

2nd May 1979

No. 14

Petition of Appeal

IN THE COURT OF APPEAL IN SINGAPORE

CIVIL APPEAL NO. 46 OF 1979

10

BETWEEN :

TAN CHOON CHYE

Appellant

AND

SINGAPORE SOCIETY OF ACCOUNTANTS Respondents

In the Matter of District Court Appeal No. 70
of 1977

In the Matter of the Disciplinary Proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

20

And

In the Matter of Section 35 of the Accountants
Act (Chapter 212)

BETWEEN

TAN CHOON CHYE

Appellant

And

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

PETITION OF APPEAL

To the Honourable the Judges of the Supreme Court.

30

The Petition of the abovenamed Appellant showeth :

1. This appeal arises from the following alleged charge

preferred by the Disciplinary Committee of the Respondents against the Appellant, namely :-

In the Court of Appeal

No. 14

Petition of Appeal

2nd May 1979

continued

10

"The charge against you is that you acted as an intermediary in your capacity as a practising accountant in connection with a bribery offence, to wit, you collected \$50,000.00 from one Lou Chih Chung, an Industrialist, and gave this money as a bribe to Wan Ming Sing, a Project Officer of The Economic Development Board as a favour for showing consideration for an application for registration under the control of Manufacture Act, thereby committing grave impropriety or infamous conduct in a professional respect in the performance of your professional duties that is discreditable to an accountant so as render the exercise of the power of the Disciplinary Committee expedient in the interests of the public or of the Society."

20

2. By an Order of the Disciplinary Committee dated 22nd day of September 1977 the Disciplinary Committee found that the alleged charge against the Appellant had been proved and that he had been guilty of grave impropriety in a professional respect and ordered that the Appellant's name be removed from the Register of Accountants under the Accountants Act, and it was further ordered that the Appellant pay the costs and expenses of and incidental to the inquiry amounting to \$5,546.00 to be paid to the Respondents.

30

3. On Appeal by the Appellant to the High Court and by Judgment dated 27th day of March 1979 the Honourable the Chief Justice dismissed the said Appeal with costs.

4. Your Petitioner is dissatisfied with the said Judgment on the following grounds :-

40

(i) that the learned Judge erred in construing the words "formal complaint" which he ought to have interpreted strictly, the provisions of the Accountants Act in relation to the charges made against the Appellant, being of a penal character;

(ii) that the learned Judge was wrong in holding that in the absence of rules for which the Act provides the rules of natural justice would govern the procedure of the Disciplinary Committee;

In the Court of
Appeal

No. 14

Petition of
Appeal

2nd May 1979

continued

(iii) that the learned Judge was wrong in believing, as he apparently did, that the Appellant's complaint with regard to the formulation of the charges against him under Section 34(1)(b) was that "it is bad because it is not permissible according to the rules of natural justice". The Appellant's contention was that the rules of natural justice had no application because of the specific provisions of the section, on which issue the learned Judge made no finding;

10

(iv) that the Appellant will submit that the item of \$3,800.00 is a solicitor and client item and does not, as such, come within the meaning of "expenses" under Section 34(3)(e) of the Act.

5. Your Petitioner prays that the Order of the Disciplinary Committee dated 22nd September 1977 and the Judgment dated 27th March 1979 of the Honourable the Chief Justice may be reversed.

Dated the 1st day of June, 1979.

20

SIGNED:- HILBORNE & CO.

SOLICITORS FOR THE APPELLANT

To The Registrar,
Supreme Court,
Singapore.

To the abovenamed Respondents
and to their Solicitors,
Messrs. Lee & Lee,
Singapore.

No. 15
J u d g m e n t

In the Court of
Appeal

IN THE COURT OF APPEAL IN SINGAPORE
CIVIL APPEAL NO. 46 OF 1979

No. 15

Judgment

6th November
1979

BETWEEN :

TAN CHOON CHYE

Appellant

AND

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

10

In the Matter of District Court Appeal No. 70
of 1977

In the Matter of the Disciplinary Proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

And

In the Matter of Section 35 of the Accountants
Act (Chapter 212)

BETWEEN

TAN CHOON CHYE

Appellant

And

20

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

Coram:

CHUA, J.
CHOR SINGH, J.
A.P. RAJAH, J.

JUDGMENT

This appeal arises from the following charge preferred
by the Disciplinary Committee of the Singapore Society of
Accountants (the Society) against the appellant Tan Choon
Chye, an accountant :

30

"The charge against you is that you acted as an
intermediary in your capacity as a practising
accountant in connection with a bribery offence, to
wit, you collected \$50,000.00 from one Lou Chi
Chung, an Industrialist, and gave this money as a

In the Court of
Appeal

No. 15

Judgment

6th November
1979

continued

bribe to Wan Ming Sing, a Project Officer of The Economic Development Board as a favour for showing consideration for an application for registration under the Control of Manufacture Act, thereby committing grave impropriety or infamous conduct in a professional respect in the performance of your professional duties that is discreditable to an accountant so as to render the exercise of the power of the Disciplinary Committee expedient in the interests of the public or of the Society." 10

The charge arose out of a letter dated 1st April, 1976, from the Director of the Corrupt Practices Investigation Bureau (CPIB) to the Registrar appointed under the provisions of Section 22(1) of the Accountants Act (Cap 212) (the Act) which reads as follows :-

"Enclosed herewith is a copy of Summary of Essential Facts which is self-explanatory.

2. It would appear from the results of our investigation that the said Tan Choon Chye, an accountant of M/s Tan Choon Chye & Co. did collect \$50,000/- from Lou Chih Chung, an Industrialist, and give the money as a bribe to Wan Ming Sing, a Project Officer of EDB for considering his application for registration under the Control of Manufacture Act for the manufacture of synthetic knitted garments, knitted fabric and texturised yarn and Tan Choon Chye has admitted so in a statement made by him. 20

3. Wan Ming Sing also obtained bribes through Tan Choon Chye from : 30

- a) Fong Kou Hwa - \$5,000/-
- b) Fong Kou Hwa - \$1,500/-
- c) Fong Kou Hwa - \$2,500/-

4. Wan Ming Sing, the Project Officer of EDB, who received bribes was charged in Court No. 5 and was convicted and sentenced to 1 year's imprisonment for receiving \$50,000/- and also was ordered to pay a penalty of \$50,000/- in default to undergo a further 6 months' imprisonment. The other 3 charges were withdrawn. 40

5. Your Society may wish to take action against Tan Choon Chye who acted as the go-between for the purpose of obtaining the bribes and giving them to Wan Ming Sing.

6. I should be grateful if you would let me know result in due course."

In the Court of
Appeal

No. 15

Judgment

6th November
1979

continued

The matter was referred to the Investigation Committee appointed under Section 32 (a) of the Act which after investigation recommended that the matter be referred to the Disciplinary Committee. The Disciplinary Committee decided to hold an inquiry into the matter. At the inquiry the appellant was represented by counsel. After the close of the case against the appellant he elected to call
10 no evidence. The Disciplinary Committee found that the charge against the appellant had been proved and that he had been guilty of grave impropriety in a professional respect and ordered that the appellant's name be removed from the Register of Accountants kept under the Act and also ordered that the appellant pay the costs and expenses of and incidental to the inquiry amounting to \$5,546.00.

The appellant then appealed to the High Court. The appeal was heard by the learned Chief Justice who dismissed the appeal. The appellant now appeals against
20 the decision of the learned Chief Justice.

The first point taken by Mr. Hilborne for the appellant is that there was no "formal complaint" as required by section 33 (1) of the Act. Mr. Hilborne says that bearing in mind that this is a penal statute exactitude is necessary when interpreting a penal statute. Mr. Hilborne says that when one looks at the facts in this case it cannot be said that the letter from the Director of the CPIB was a complaint let alone a "formal complaint" within the meaning of section 33 (1) of the Act. Mr.
30 Hilborne says that the letter is a mere conveyance of information by a Government Agency to the Registrar of the Society and that there is clearly no relationship of client and accountant between the CPIB and the appellant. Mr. Hilborne submits that since there was no such relationship between the CPIB and the appellant the letter from the CPIB does not constitute a complaint.

We are unable to accept this submission. Section 33(1) says that any person can make a complaint and the Director of the CPIB in this case made a complaint in the public interest. We agree with the learned Chief
40 Justice that the word "formal" in the expression "formal complaint" in section 33(1) must be given its ordinary dictionary meaning of explicit and definite. The learned Chief Justice was quite correct in his view that the letter from the Director of the CPIB constitutes a formal complaint within the meaning of Section 33(1).

In the Court of
Appeal

No. 15

Judgment

6th November
1979

continued

The next point taken by Mr. Hilborne is that even if the letter of the CPIB is a complaint nevertheless it ought to have been supported by a statutory declaration under section 33 (2) of the Act.

Section 33 (2) provides :

"Every such complaint (other than a complaint made by a Court) shall be in writing and shall be supported by such statutory declarations as the Registrar may require."

Mr. Hilborne says this section can be interpreted in two ways. First, it is entirely up to the Registrar to decide whether he wants a statutory declaration or not. Second, the word "may" means "must" and the discretion accorded thereby to the Registrar related only to the number of statutory declarations that ought to be reasonably required in support of the said complaint. He submits that the second interpretation is the correct one. He refers to Section 33(6)(a)(i) which provides that "before any investigation begins in respect of any matter - (a) the Registrar shall post or deliver to the member concerned (i) copies of the written complaint (if any) and of all statutory declarations that have been made in support of the complaint." His argument is that under Section 33(6)(a)(i) the Registrar is required to send to the member concerned the written complaint if there is a written complaint (there would be no written complaint if the Registrar acts on his own motion under Section 33(3)) but as he must send all statutory declarations that have been made in support of the complaint to the members concerned that shows that the Registrar must under Section 33(2) require a statutory declaration or statutory declarations to be made in support of the written complaint.

10

20

30

We are unable to accept this submission. It is clear from Section 33(2) that the Registrar has a discretion whether to require a complaint to be supported by a statutory declaration. We cannot read "may" as "must".

The third point taken by Mr. Hilborne is that the charge against the appellant is bad for duplicity. The argument of Mr. Hilborne is this. The charge against the appellant is under Section 34(1)(b) of the Act. This section embraces several distinct offences and the charge against the appellant ought to have disclosed which offence or offences was or were being alleged against him. In fact, says Mr. Hilborne, there are four charges rolled into one. He further submits that

40

the ingredient "in a professional respect" in the charge has not been proved.

In the Court of
Appeal

No. 15

Judgment

6th November
1979

continued

10 There is no substance in this submission. No
rules of the Society have been made to regulate the pro-
cedure to be followed during a disciplinary inquiry
except Rule 13 of the Accountants Rules, 1977 (No. S99
of 6th May 1977) where it is provided that "all evidence
given at the hearing of any matter by the Disciplinary
Committee shall be given orally; Provided that the
Disciplinary Committee shall also be entitled to obtain
sworn affidavits from any person if it considers them
necessary for the better investigation of the matter."
In our view in the absence of rules the Disciplinary
Committee should conduct the inquiry in accordance with
the rules of natural justice. One of the requirements of
natural justice is that a person must be given adequate
notice of the case against him to enable him a fair
opportunity of answering it. In the present case the
charge contained particulars which clearly met this
20 requirement. It is clear from the evidence of Lou Chi
Chung before the Disciplinary Committee that when the
appellant applied to the Economic Development Board
for a manufacturer's licence on behalf of Yoong Wah
Industries (Pte) Ltd., of which Lou Chih Chung was the
Chairman, the appellant was acting in his professional
capacity.

The appeal is dismissed with costs.

(Sd.) F.A. CHUA

(F.A. Chua)
Judge

30

(Sd.) CHOOR SINGH

(Choor Singh)
Judge

(Sd.) A.P. RAJAH

(A.P. Rajah)
Judge

In the Court of
Appeal

No. 16

Order

6th November
1979

No. 16
Order

IN THE COURT OF APPEAL IN SINGAPORE

CIVIL APPEAL NO. 46 OF 1979

BETWEEN :

TAN CHOON CHYE

Appellant

AND

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

In the Matter of District Court Appeal No. 70
of 1977

10

In the Matter of the Disciplinary Proceedings
before the Disciplinary Committee concerning
Tan Choon Chye

And

In the Matter of Section 35 of the Accountants
Act (Chapter 212)

BETWEEN

TAN CHOON CHYE

Appellant

And

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

20

ORDER OF COURT

BEFORE THE HONOURABLE MR JUSTICE CHUA

THE HONOURABLE MR JUSTICE CHHOR SINGH

AND THE HONOURABLE MR JUSTICE A P RAJAH

IN OPEN COURT

The 6th day of November 1979

THIS APPEAL coming on for hearing on the 18th day
of October 1979 in the presence of Counsel for the Appel-
lant and for the Respondents And Upon Reading the Record
of Appeal And Upon Hearing Counsel for the Appellant and
for the Respondents IT IS ORDERED that this Appeal do
stand for judgment and the same coming up for judgment

30

this day in the presence of Counsel for the Appellant and for the Respondents IT IS ORDERED that :

In the Court of Appeal

- 1) This Appeal do stand dismissed with costs to be paid by the Appellant to the Respondents;
- 2) The sum of \$500-00 lodged in Court as security for the costs of this Appeal be paid out by the Accountant-General to the Respondents' Solicitors, M/s Lee & Lee.

No. 16

Order

6th November 1979

continued

Dated the 6th day of November 1979.

10

Sd. NG PENG HONG

ASSISTANT REGISTRAR.

No. 17

O r d e r

IN THE COURT OF APPEAL IN SINGAPORE

CIVIL APPEAL NO. 46 OF 1979

BETWEEN :

TAN CHOON CHYE

Appellant

AND

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

No. 17

Order granting leave to Appeal to the Judicial Committee of the Privy Council

25th February 1980

20

In the Matter of District Court Appeal No. 70 of 1977

In the Matter of the Disciplinary Proceedings before the Disciplinary Committee concerning Tan Choon Chye

And

In the Matter of Section 35 of the Accountants Act (Chapter 212)

BETWEEN

TAN CHOON CHYE

Appellant

And

30

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

O R D E R

CORAM: THE HONOURABLE THE CHIEF JUSTICE, MR. JUSTICE WEE CHONG JIN

In the Court of
Appeal

No. 17

Order granting
leave to Appeal
to the Judicial
Committee of
the Privy
Council

25th February
1980

continued

THE HONOURABLE MR. JUSTICE F.A. CHUA,
AND THE HONOURABLE MR. JUSTICE T.S.
SINNATHURAY.

IN OPEN COURT

THIS 25TH DAY OF FEBRUARY, 1980.

UPON Motion preferred unto the Court by Counsel for the abovenamed Appellant coming on for hearing this day in the presence of Counsel for the abovenamed Appellant and for abovenamed Respondents AND UPON READING the Notice of Motion herein dated the 29th day of January 1980 and the affidavit of Tan Choon Chye filed herein on the 29th day of January 1980 THIS COURT DOTH GRANT LEAVE under Section 3(1)(a)(i), (ii) and (iii) of the Judicial Committee Act (Cap. 8) to appeal to the Judicial Committee of Her Britannic Majesty's Privy Council against the whole of the Judgment of the Court of Appeal delivered herein at Singapore on the 6th day of November, 1979.

10

DATED the 25th day of February, 1980.

Sd.

ASST.
REGISTRAR

20

EXHIBIT "A"

Letter from Economic Development Board to
Yuong Wan Industrial Co. Pte. Ltd.

In the Court of
Appeal

Exhibit "A"

Our Ref: EDB Cf. 2312/17C

4th December, 1971

Yung Wah Industrial Co. Pte. Ltd.,
c/o Tan Choon Chye & Co.,
32-B, South Bridge Road,
Singapore 1.

Letter,
Economic
Development
Board to Yuong
Wan Industrial
Co.

4th December
1971

Dear Sirs,

10

Registration Under the Control
of Manufacture Ordinance, 1959

Please refer to your application dated 25th October, 1971 for registration under the Control of Manufacture Ordinance, 1959 for the manufacture of texturised synthetic yarn, synthetic knitted fabrics and synthetic knitted garments.

I am pleased to inform you that your application has been approved subject to the following conditions:

- (a) The company shall commence production of high quality knitwear by March 1972.
- 20 (b) The company shall commence production of knitted fabrics (with dyeing and finishing facilities) within 6 months of the commencement date of knitwear production.
- (c) The company shall commence the texturisation of synthetic yarn (with a minimum capacity of four sets of 160 spindle texturisation machines) within one year of the commencement date of knitwear production.
- (d) The company shall invest at least \$4 million in fixed assets by June 1973.
- 30 (e) The company shall acquire new and modern machinery.
- (f) The company shall implement the project as proposed in its application for registration specifically in regard to the fixed investment in machinery and equipment, degree of manufacture, production volume, quality range, employment and market diversification.
- (g) The company shall provide a bank guarantee of \$100,000 valid up to December 1973 to assure compliance of conditions (a) to (f) above.

In the Court of
Appeal

Exhibit "A"

Letter,
Economic
Development
Board to Yuong
Wan Industrial
Co.

4th December
1971

continued

- (h) The company shall export at least 90% of the output of garments.
- (i) The company shall furnish any information reasonably requested by the Government including the following :-
- (i) audited balance sheet and profit and loss account which are to be submitted yearly;
- (ii) statistics of production, sales (with breakdown into domestic sales and export) and stocks to be submitted half-yearly.

10

- (j) The Certificate of Registration granted to the company shall be revoked if the company ceases production without adequate reasons for a continuous period of three months.
- (k) The company's products shall be subject to testing at the company's expense by the Singapore Institute of Standards and Industrial Research or any other approved laboratory as and when required by the Government.

- (l) The Certificate of Registration issued to the company shall not be transferable unless prior approval is obtained from the Registrar of Manufacturers.
- (m) The possession of the Certificate does not absolve the company from compliance with the requirements of any other law which may have application to its operation.

20

If you accept the above offer of registration, please forward us a crossed cheque for \$10/- as registration fee and the bank guarantee for \$100,000 valid up to 31st December, 1973 as required in condition (g) above. Both the cheque and the bank guarantee are to be made in favour of the Accountant-General, Singapore. A draft format of the required bank guarantee is enclosed for your reference.

30

...

Please let us have your reply early as this offer is valid for only one month from the date of this offer.

Yours faithfully,

(Yeo Seng Teck)
Dy. Registrar of Manufacturers.

EXHIBIT "B"

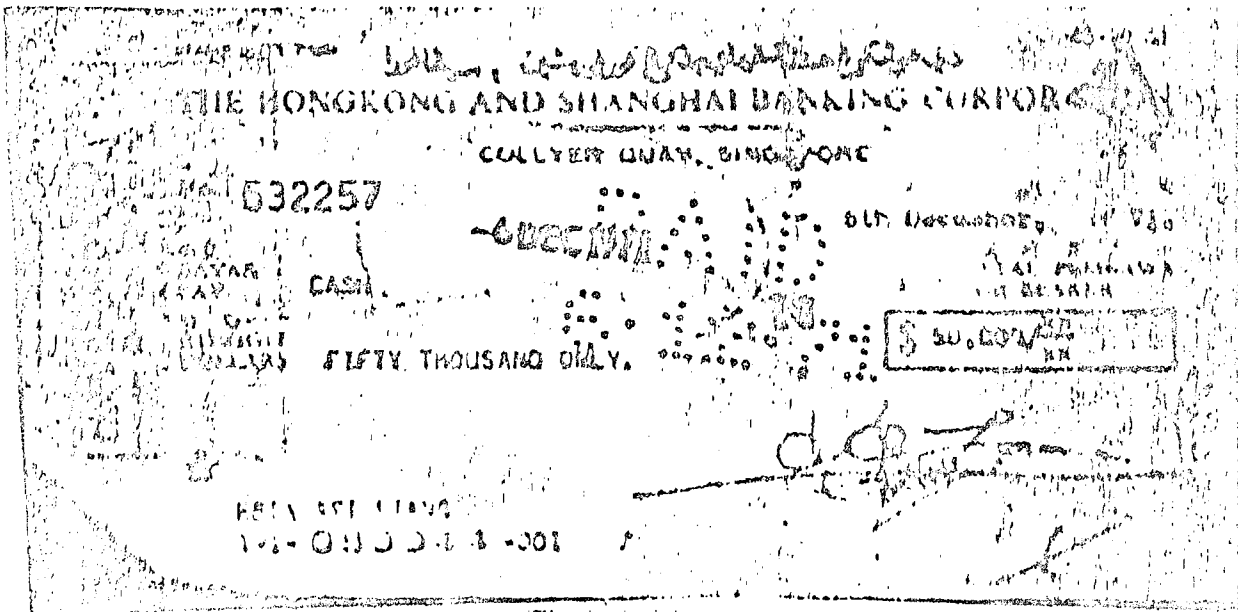
Hong Kong & Shanghai Bank, cheque for
\$50,000.00

In the Court of
Appeal

Exhibit "B"

Hong Kong &
Shanghai Bank,
cheque
\$50,000.00

6th December
1971



In the Court of
Appeal

Exhibit "C"

Certified copy
of Notes of
Evidence

26th December
1975

EXHIBIT "C"

Certified copy of the Notes of Evidence re-
corded in DAC No. 1307 of 1975 in Public
Prosecutor -v- Wan Ming Sing - with state-
ment of facts attached thereto

Friday 26th December 1975

IN OPEN COURT

Before Me

Sd. Tan Hoay Djim
District Judge

10

DAC 1307/75 - Public Prosecutor - Corruption - Section
6(a) Cap. 104.

vs.

Wan Ming Sing

(7 counts)

Loh Lin Kok for Prosecution.

Mr. David Marshall for Defendant.

Mr. I. Nathan watching brief for prosecution - witness
Tan Choon Chye.

Charges marked P1 - P7.

Consent of P.P. marked P8.

20

Prosecution: Proceeding on charge DAC.1307/75
and applies to have the other charges stood down.
(Charges DAC 1308 - 1310: 1352 - 1534 stood down)

Charge on DAC 1307/75 read explained and under-
stood.

Pleads guilty.

Understand nature and consequences of his plea.

Facts admitted and marked - "A"

Facts in "A" read out in Court.

Facts admitted.

30

Convicted.

Mitigation

Mr. Marshall: In view of the gravity of the offence, I am
applying to the Court to put the accused in the witness
box. (application granted)

Wan Ming Sing affirms speaking in English.

In the Court of
Appeal

I live at Block 4, 16H Yuan Ching Road,
Singapore 22, Jurong, I am 41 years old, a Malaysian
citizen.

—————
Exhibit "C"

Certified copy
of Notes of
Evidence

26th December
1975

continued

I did my secondary education in Victoria
Institution, Kuala Lumpur. In 1961 I obtained B.A.
(Hons) at Melbourne University in Economics and
Political Science. In 1967 I obtained a M.A. at the
University of Malaya, Kuala Lumpur, in History.

10 I am married. I was married seven years ago in
Singapore to a Singapore citizen. There are two
children. A son age six and a daughter age five. Both
of them are attending Y.M.C.A. Kindergarten in
Singapore.

20 In 1970 a great deal of matrimonial difficulties
occurred between me and my wife. My wife is fifteen
years younger than I and her conduct towards me caused
me considerable mental anguish and harrassment. She
finally left me in October 1972 and had not been in touch
with me since then except for one letter written two months
ago. She told me in that letter she was unofficially
engaged to somebody in Europe and she wants a divorce.
I commenced divorce proceedings in Malaysia.

I started as a sales executive trainee with Lever
Brothers in Kuala Lumpur in 1961. I was there for
about seven months and left to enroll in the University of
Malaya to do my Master of Arts. After the first year I
concurrently worked in Bank Regara, Kuala Lumpur.

30 After obtaining my degree I came to Singapore in
August 1967 and joined the E.D.B. as a project officer.
My principal duty was to evaluate textile and textile
related industries. It was a big industry at that time
because the E.D.B.'s aims was to create more employ-
ment and I had an executive officer to assist me. It was
my duty to deal with investors in the textile related
industries and to evaluate their projects according to
existing guidelines of the E.D.B.

40 Between 1967 and 1969 for three years any project
that was labour intensive and had merits would be
encouraged by the E.D.B. because of the British with-
drawal and the need to absorb the unemployed. I insisted
on a minimum number of workers in each factory especially
in the case of hair wig industry. I was supervised by the

In the Court of
Appeal

Exhibit "C"

Certified copy
of Notes of
Evidence

26th December
1975

continued

chief project officer who was my immediate boss and my salary at the time I joined was seven to eight hundred dollars per month.

In December 1968 I was posted to Hong Kong as Director of E.D.B. in Hong Kong with the object of wooing investors from Hong Kong and Taiwan to Singapore. In July 1971 I was reposted to Singapore as project officer and found the emphasis shifted from cotton based garment making to synthetic and integrated industry. There was considerable emphasis to establish synthetic industries in Singapore.

10

I know Tan Choon Chye who is also named in the Charge. I know that he is an accountant by profession. I first met him shortly after I joined the services of the E.D.B. in 1967. He was then very active as an accountant. I think he was a liaison officer between prospective investors with E.D.B. He was also the man who would give active service between prospective investors and the relevant statutory boards and authorities. I met him in the course of my duty. Our relationship developed socially. He represented himself as being very helpful in giving information and all that.

20

I first heard about the Yuang Wah Industrial project one day when Mr. Tan Choon Chye gave me a call and asked me to have a cup of tea with him and we subsequently met at G.H.Cafe. This meeting at the initiation of Tan Choon Chye was shortly before the submission of the application, could be in early October.

We met at the G.H.Cafe. We were having a cup of coffee and in the course of the conversation he said that he knows that the Government wants to upgrade the textile industry and in fact in his own personal capacity he is doing work for the good of Singapore and he said that he had a client from Taiwan. He said they were established textile industrialists in Taiwan wanting to set up an integrated industry for the production of synthetic textile goods largely for export which would help in the improvement of the Industry in Singapore. In my reply I said if it is in my official duty, I will assist these investors and any investor who complies with the development aims of the E.D.B. so that the industry in Singapore can be further developed. I told him about the guidelines - to move away from cotton based industry to synthetic textiles.

30

40

He said these taiwanese groups were established people in this line and since they are keen to invest in

Singapore for various reasons for his personal guidance he thought the Taiwanese would put up a good project in Singapore. He did ask for my assistance - could I help them set up this project in line with the development objectives. I said I would gladly do so because this is my official duty.

In the Court of
Appeal

Exhibit "C"

Certified copy
of Notes of
Evidence

26th December
1975

continued

10 Then later on he said that these investors have great faith in his professional ability and he could guide them as to what are the things which should be done in Singapore. He said that they would need his guidance and influence.

Then later on he said these Taiwanese people are very keen to set up a good project here and he would see that he could initiate a proposal to get a consideration.

Q: Can you recollect what were the words he used?

20 A: He said he can talk to the Taiwanese people to show some consideration. I told him this is very risky business and should not be contemplated and least of all acted upon unless he is absolutely careful about it.

Q: (by Court) I have got you down as saying "absolutely careful about it?"

A: I did not say that. I told him I would not wish to participate because it is so risky.

Q: Just recount it again?

A: It is very risky business and I would not consider it but would officially help him as it is my duty.

30 Then he said he was experienced in this sort of thing and he assured me he would take charge of the whole thing. The only thing was for me to do my official duty and to implement a good project. And I said if that is the case we should try to see what was the reaction of the Taiwanese.

Q: I do not quite follow that. You gave him to understand he could ask for a consideration so long as you were not asked to do anything improper as regards the guidelines?

A: Yes.

Q: You are prepared to let him ask in your name for a consideration as long as you did not have to do anything

In the Court of
Appeal

Exhibit "C"

Certified copy
of Notes of
Evidence

26th December
1975

continued

improper in your evaluation of the project?

A: Yes.

Q: Did he mention a figure he was going to ask the
Taiwanese on your behalf?

A: He did not mention outright but he said he would try
to talk to them and he casually mentioned \$50,000/-
was maybe a figure he would put forward.

Q: You agreed?

A: He said before he put it forward to the Taiwanese,
he would be the one to do all the initiating and handle
all the things because I said it was a big risk. To
do all these I would not do anything out of line. He
said it would be joint venture with him and he wanted
half of whatever amount it was.

10

Q: You agreed that Mr. Tan should ask in your name for
\$50,000/- purportedly so that you could assist in the
project but on the clear understanding in fact you
would work completely in accordance with the EDB's
guidelines and you would give him half of the amount.

Prosecution: I object. Earlier the accused said Tan
Choon Chye made it clear it was a form of
joint venture and he wanted half. Now Dr.
Marshall puts it as if the accused offered.
Which is which?

20

Q: You agreed he should get half of whatever was asked
for?

A: Not whatever was asked for but \$50,000/-.

Q: In due course you evaluated this project and he in
fact brought a Mr. Lou or a Mr. Fong?

A: I think the first time it was Mr. Lou and subsequently
Mr. Fong came in also.

30

Q: And you worked with them to evolve a sound project.
You did not permit any compromise of EDB's guide-
lines?

A: No.

Q: Would you agree it was a very careful exercise?

A: Yes.

Q: Would you agree before you approved it you consulted the chief project officer and other officers in the EDB.

A: At all points. The investor had the choice to see the chief project officer as well. I also consulted the Chairman and Director of EDB on this project.

In the Court of
Appeal

—————
Exhibit "C"

Certified copy
of Notes of
Evidence

26th December
1975

continued

10 There was a final conference at which the Chairman, the Director and the Deputy Director of EDB and myself were present when the project was approved.

After the approval of the project, after some time I received a call from Tan Choon Chye to call at this office. So I called at his office, I think it was lunch time. Then he handed me \$25,000/- saying it came from the Yung Wah people. He told me he had received \$50,000/- from them for me and he was keeping \$25,000/- for himself.

Prior to this incident I have never received any money by way of a bribe.

20 I sent in my resignation from the EDB in July 1974. I resigned because my wife left me and I had two small children. I was trying to look after them and there was the servant problem in Singapore. I wanted to go back to Kuala Lumpur so that my other folk can look after them.

30 The investigation into this case began in April 1975. I feel humble about it. I feel that I have been foolish. I have been tempted and I regret it fully. And I am prepared to face the consequences the law deems necessary. I was then in a mental turmoil because of the matrimonial difficulties. My family have come to my assistance. My sister is looking after my children. My brother-in-law had offered to make available \$50,000/- for which I am responsible although I got only half of it.

I know a man named Tong Kok Wan (Dr. Marshall produces a letter addressed to court).

This is Tong Kok Wan's signature. He has gone to Jarkarta and will not be back till Monday (letter dated 24.12.75 admitted and marked 'B').

I am prepared to accept the job in Kuala Lumpur and to turn over a fresh leaf.

In the Court of
Appeal

Exhibit "C"

Certified copy
of Notes of
Evidence

26th December
1975

continued

Cross-examination

Q: You first met Tan Choon Chye in 1967, how well do you know him up to now?

A: When I joined EDB in 1967 I knew him officially and then went to Hong Kong and came back in July 1971.

Q: Before this discussion on consideration how long had you known Tan?

A: Shortly after I joined EDB.

Q: You went to Hong Kong in December 1968. When you were in Hong Kong you had no contact with Tan?

10

A: Except he called at my office once in Hong Kong. I believe he was going to Taiwan or Japan for some exposition. When I was in Hong Kong I met a lot of business people. I received him in the course of duty.

Q: Are you suggesting all your dealings with Tan Choon Chye are official dealings? You did not mix with him socially?

A: Not in a wide sense socially. When I came back in July 1971 he called on me again. I went to dinners with him on official duties.

20

Q: You did not socialise with him?

A: No.

Q: You don't know him well as a friend?

A: As someone I worked with.

Q: Is he a friend or merely an official acquaintance?

A: He is a friend also.

Q: Do you trust him?

A: If I did not trust him I would not have ended up here today.

30

Q: You know corruption is a serious matter, why did you allow your name to be used?

A: I was weak in the face of temptation. I was weak also because Tan Choon Chye gave me a sense of false security. He made it sound so easy. I regret it all very much.

In the Court of
Appeal

Exhibit "C"

Q: Is it not a fact project officers are senior officers?

Certified copy
of Notes of
Evidence

A: Yes.

Q: Did you not agree as a senior officer you should be more careful in your dealings with such a person?

26th December
1975

A: Now I regret it. At that time I was weak.

10 Q: My instructions are that Tan Choon Chye did not receive \$25,000/-?

continued

A: With due respect to the court I would suggest you investigate him more properly.

Q: Are you suggesting Tan Choon Chye is lying?

A: In point of truth he is not merely telling a lie, he is making a conscious perjury.

Q: Is Tong Kok Wan related to you in any way?

A: No. He is a good friend of my family. We know him very well.

20 Re-examination

From the moment I briefed my counsel, I told him I had received \$25,000/- and I never denied this.

Mr. Marshall: No damage done. He received the money in his name. He acted quite improperly. The gravity of the offence is not denied.

Sentence: One year's imprisonment. Accused to pay a penalty of \$50,000/- in one month's time. In default another six months imprisonment.

30 Prosecution: The prosecution is withdrawing the charges in the stood down cases.

The accused is discharged amounting to an acquittal on the stood down charges.

Sd. Tan Hoay Djin

In the Court of
Appeal

COPY OF EXHIBIT "A" IN COURT NO.5 DAC 1307/75

Exhibit "C"

P.P. v WAN MING SING

Statement of
Facts

STATEMENT OF FACTS

26th December
1975

The accused was a Project Officer with the Economic Development Board from August 1967 until his resignation on 20 November 1974.

2. On 28th December, 1971 a textile factory, Messrs. Yung Wah Industrial Co. (Pte) Ltd, was incorporated in Singapore. It was promoted by Messrs. Yung Dah Knitting Factory Co. Ltd. of Taiwan and a group of 14 Taiwanese investors. The main promoter of this enterprise was one Lou Chih Chung, the Managing Director of Yung Dah Knitting Factory Co. Ltd. On incorporation of Messrs. Yung Wah Industrial Co. (Pte) Ltd., Lou Chih Chung became the Chairman of the company. 10

3. On 27th October, 1971, prior to the actual incorporation, Messrs. Yung Wah Industrial Co. (Pte) Ltd., submitted an application for registration under the Control of Manufacture Act (Chapter 241) to the Economic Development Board for permission and approval to manufacture synthetic knitted garments, knitted fabrics and texturised yarn. This application was submitted through a firm of public accountants known as Tan Choon Chye & Co. operating at No. 32B South Bridge Road. The accused was then the Project Officer at EDB in charge of the textile industry and was therefore assigned the task of processing the application by his supervisor, the Deputy Registrar of Manufacturers cum Chief Project Officer of the Economic Development Board. 20

4. Investigation disclosed that prior to the submission of the application under the Control of Manufacture Act, the Chairman of Messrs. Yung Wah Industrial Co. (Pte) Ltd. Lou Chih Chung and one Tan Choon Chye of the said firm of public accountants had sometime in October 1971 called on the accused at his office in the Economic Development Board to discuss the said application. There followed a series of meeting between the accused, Lou Chih Chung and Tan Choon Chye. At one of the meeting between only the accused and Tan Choon Chye in October 1971 at the accused's office, it was agreed that Tan Choon Chye would approach Lou Chih Chung and inform him that if he could offer a sum of \$50,000/- to the accused, the application for registration by Messrs. Yung Wah Industrial Co. (Pte) Ltd. will be favourably considered. Tan 40

Choon Chye subsequently conveyed the request to Lou Chih Chung who agreed to make the payment. It was only after these preliminary meetings with the accused that Tan Choon Chye prepared an application and forwarded the same to the Economic Development Board on 27th October, 1971 for registration of the company under the Control of Manufacture Act.

In the Court of
Appeal

Exhibit "C"

Statement of
Facts

26th December
1975

continued

10 5. On 18th November, 1971, the accused submitted a report to the Registrar of Manufacturers who was also the Chairman of the Economic Development Board recommending approval of the application. On 29th November, 1971, the application was approved. The letter of approval dated 4th December, 1971 was received by the said company on 6th December, 1971.

20 6. On the 6th December, 1971 Lou Chih Chung issued a Hongkong and Shanghai Bank Cheque No. 532257 dated 6th December, 1971 drawn on the account of his friend Hsiah Wei Liang for a sum of \$50,000/-. After cashing the cheque Lou Chih Chung handed this sum of \$50,000/- to Tan Choon Chye to be paid to the accused. On receipt of the \$50,000/- Tan Choon Chye contacted the accused who then called at his office at 32B South Bridge Road where the accused collected the money personally from Tan Choon Chye.

7. The accused was arrested by Ag Chief Special Investigator Ng Kit Hong of the Corrupt Practices Investigation Bureau on 22nd May, 1975 and charged at the then 1st Magistrate's Court on the same day.

In the Court of
Appeal

EXHIBIT "D"

Exhibit "D"

Statements made by the Appellant to Corrupt
Practices Investigation Bureau, Singapore

Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau

STATEMENT

3rd January
1975

I.P. No.: CPIB 1 P/E 57/75

Name of person making statement: TAN CHOON CHYE

Sex: Male

Age: 46 yrs

Date and Place of Birth: 15.9.1928 China

NRIC No. : 0512446 H

10

Nationality and Dialect: Singapore Citizen/Teochew

Marital status: Married

No. of Children: 5

Singapore Citizenship Certificate No.: 344038

Vehicle No.: E 6835 S

Address: 55, Belimbing Avenue, Singapore 13

Occupation: Public Accountant

Place of Employment: Tan Choon Chye & Co.

32B, South Bridge Road, Singapore 1

Telephone Nos. Residence: 885007 Office: 2924033

20

Time: 2325 hrs

Statement Recorded on: 3.1.75 Friday At: CPIB

Language Spoken: English

Recorded by: Ng Kit Hong

Rank of Recording Officer: Ag CSI

NOTE: The Statement is to be signed by the Interpreter and
the Recording Officer; and where necessary (e.g. cautioned
statement) by the person making the statement.

Section 26 of the Prevention of Corruption Act has been
read over by Mr. Tan Choon Chye.

30

I completed my secondary education at St. Anthony
Boys' School in 1946. I then took up a correspondence

course in Certified Accountant with the London School of Accountancy and Metropolitan College. I passed my final examination in certified accountant in 1951 and in 1958 I started my own accountancy firm Tan Choon Chye & Co. at 32B, South Bridge Road. Since then I have assisted a number of foreign investors, mainly from Indonesia and Hong Kong, in their investments in Singapore. From 1971/72, onwards, I began to have Taiwanese investors in my field of business.

In the Court of
Appeal

Exhibit "D"

Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau

3rd January
1975

continued

10 2. I came to know one Wan Ming Sing in around 1970 who was an officer in EDB. In 1971, Wan Ming Sing was the EDB officer in charge of Textile Industry in Singapore.

3. Sometime in Oct 71, my company was appointed by M/s Yung Wah Industrial Co Pte Ltd as its Management Consultant. On or about 27.10.71, I submitted on behalf of this company an application to EDB for a certificate of registration under the Control of Manufacture Act to set up a textile plant in Singapore. The chief promoter of this project at that time was Lou Chih Chung and the company intended to manufacture texturised synthetic yarn, synthetic knitted fabrics and synthetic knitted garments. This application was approved by EDB on 6.12.71 and a certificate of registration was issued to the company on 7.2.72. This company was formally incorporated in Singapore on 28.1.71. Regarding this project, Lou Chih Chung and I myself used to have discussions with Wan Ming Sing in EDB.

30 4. Sometime in Nov 71, Wan Ming Sing informed me that he wanted a reward of \$50,000/- from the Taiwanese promoter so that he would approve the application. I subsequently conveyed the message to Lou Chih Chung who then agreed to accede to Wan Ming Sing's request. As such sometime in Dec 71 after the approval was granted, Lou Chih Chung handed me a sum of \$50,000/- cash for me to pay Wan Ming Sing. He gave me the money in my office and I subsequently contacted Wan Ming Sing who then collected the money from me. Nobody was around when I paid Wan Ming Sing the money.

40 5. During that time, I had also submitted on behalf of 12 Taiwanese shareholders of the said company applications for permanent residence in Singapore under the \$250,000/- deposit scheme and they were subsequently approved by EDB. I then followed up by submitting applications on their behalf to EDB to have their deposits released to the company and they were approved and the fund was released on the following dates :

In the Court of
Appeal

Exhibit "D"

Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau

3rd January
1975

continued

<u>Name</u>	<u>Date of Appln of Perm Res</u>	<u>Date of Approval</u>	<u>Date of Appln for Release of Fund</u>	<u>Date of Approval</u>	
Lou Chih Chung	6.12.71	1.7.72	15.9.72	17.10.72	
Fong Kou Nwa	6.12.71	22.7.72	15.9.72	17.10.72	
Fan Li Ming	6.12.71	1.7.72	15.9.72	17.10.72	
Man Wei Yuan	4.1.72	1.7.72	15.9.72	17.10.72	
Chi I Chung	1.4.72	16.8.72	10.11.72	8.12.72	
Lou Hui Long	8.5.72	15.8.72	10.11.72	8.12.72	10
Chang Chun Tseng	29.3.72	27.10.72	10.11.72	8.12.72	
Chang En Fu	1.8.72	12.12.72	7.2.73	24.4.73	
Chun Yu Tien	3.4.72	11.1.73	7.2.73	24.4.73	
Chow Hsiao Fang	25.8.72	6.4.73	11.9.73	19.4.74	
Lou Hai Ming	5.1.73	4.6.73	10.10.73	19.4.74	
Pan Chun Mew	22.7.72	9.2.73	11.9.73	19.4.74	

After I had submitted applications for the release of fund for the first four applicants on 15.9.72, Wan Ming Sing informed me in his office in the same month that he wanted \$1,250/- from each of these 4 applicants and also the subsequent applicants if any, so that he would expedite to consider the applications. This is equivalent to 5% of the deposit of £250,000/- of each of the applicants. I then conveyed his message to Fong Kou Hwa, another main promoter of the project and he agreed to pay Wan Ming Sing the required sums. 20

6. As such in Oct 72 after the fund in respect of the first four applicants of \$250,000/- each were released, Fong Kou Hwa handed me a sum of \$5,000/- in my office for me to pay Wan Ming Sing. I later contacted Wan Ming Sing and handed him the money in my office. 30

7. The applications in respect of the next three applicants were approved and the fund was released to the company on 8.12.72. At that time EDB had changed the policy and they could only release the deposit in portions. On that day, only \$200,000/- of each of these three applicants was released to the company. However Fong Kou Hwa did not hand me any sum of money to pay Wan Ming Sing until about Feb 73 and he was then only willing to pay Wan Ming Sing 2½% of the total amount of money released. On this occasion, he only gave me a sum of \$1,500/- in cash in my office to pay Wan Ming Sing. When Wan Ming Sing subsequently called at my office to collect the money, he accepted it without any grumbling. 40

8. The applications in respect of next two applicants were approved on 24.4.73 and similarly only \$200,000/- of each of these 2 applicants was released. Fong Kou Hwa did not pay Wan Ming Sing any reward until the application in respect of the last three applicants were approved on 19.4.74. Similarly only \$200,000/- of each of these 3 applicants was released. Sometime in June 74, Fong Kau Hwa gave me \$2,500/- to pay Wan Ming Sing for expediting the consideration of the applications of the last five applicants. He sent his clerk one Ang Ho Seng to deliver the money to my office. I in turn contacted Wan Ming Sing who then called at my office and collected the money.

10

9. There was no eye witness to the payments I made to Wan Ming Sing in my office and he did not give me any share in the sums of money collected. I cannot remember in what denominations the payments were.

20

10. Today at CPIB at about 8.00 pm I was shown to a male Chinese (Fong Kuo Hwa) and I identified him as Fong Kuo Hwa whom I mentioned above. At about 0050 am on 4.1.75 I was shown another male Chinese (Ang Ho Seng) and I identified him as Ang Ho Seng whom I had earlier mentioned.

11. Although I am also the auditor of this company, I do not know whether the various payments made to Wan Ming Sing were accounted for in the company's account. It was my audit clerks who did the usual checking of the company's account books.

30

Statement read over by me and I confirm it as true and correct.

Sd.

Recorded by

Sd.

4.1.75 0200 hrs.

EXHIBIT "E"

Further statement of Tan Choon Chye recorded on 28.1.75 at CPIB at 1440 hrs by Ag CSI Ng Kit Hong in English.

40

12. On 27.1.75 at 3.15 pm at CPIB, I was shown a male Chinese and I identified him as Lou Chih Chung, the Chairman of Yung Wah Industrial Co Pte Ltd. On the same day at about 3.20 pm I was shown another male Chinese and I identified him as Man Wei Yuan of the same company.

In the Court of Appeal

Exhibit "D"

Statements made by the Appellant to Corrupt Practices Investigation Bureau

3rd January 1975

continued

Exhibit "E"

Statements made by the Appellant to Corrupt Practices Investigation Bureau

28th January 1975

In the Court of
Appeal

Exhibit "E"

Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau

28th January
1975

continued

13. My sister Tan Leng Fong is the sole proprietor of Singapore Secretarial Services Co. at 32A, South Bridge Road. Her company was appointed as the secretary of Yung Wah Industrial Co Pte Ltd whereas my company was appointed as the management consultant and auditor of the company. She charged the said company a sum of \$3,000/- per year as secretarial fee. Our two companies occupy the same building on different floors and we work in co-operation for clients. According to our records, Yung Wah Industrial Co Pte Ltd had made three payments of \$3,000/- each to Singapore Secretarial Services Co as secretarial services fees for 1972, 1973 and 1974. The payments were made on 8.5.72, 11.8.73 and 4.7.74.

10

14. According to my records, Man Wei Yuan of the said company paid me a sum of \$1,000/- on 27.10.71 as service fee for preparing the application for a licence under the Control of Manufacture Act. I issued him a receipt dated the same day. Subsequently I received another three payments from the company for services rendered. The details are :

20

- a. 6.12.71 - \$5,543/- as fees and expenses involved in the formation of Yung Wah Industrial Co Pte Ltd;
- b. 11.8.73 - \$3,660/- as audit and income tax services fees;
- c. 4.7.74 - \$3,670/- as audit and income tax services fees.

I issued receipts to the company for all these payments.

15. Besides I sent two bills dated 5.5.72 and 9.9.72 for \$4,000/- and \$1,500/- respectively to the company for professional charges in applying for permanent residence for its 11 shareholders. However I understood from the company that they were not prepared to pay the two sums as they felt that they had paid adequately for services rendered by my sister's and my companies.

30

Statement read over by me
and I confirm it as true
and correct.

Recorded by

Sd.

Sd.

1525 hrs 28.1.75.

40

EXHIBIT "F"

In the Court of
Appeal

Exhibit "F"

Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau

22nd March
1975

Further statement of Tan Choon Chye on 22.3.75 at 0940 hrs at CPIB by Ag CSI Ng Kit Hong in English.

16. I now remember that it was in Oct 71 when Wan Ming Sing told me he wanted a sum of \$50,000/- from Lou Chih Chung so that he would approve the latter's application for a manufacture licence. At that time I had already brought Lou Chih Chung to see Wan Ming Sing in EDB to have a general discussion on the proposed project in Singapore. I then conveyed Wan's demand to Lou who agreed. I then proceeded to put up an application for Lou and submitted it to EDB in Oct 71.

17. I cannot recall that Lou Chih Chung first made the payment of \$50,000/- to Wan Ming Sing through me in cheque and I refused to accept it. I am certain that the payment was made in cash through me.

18. I cannot remember whether I had ever arranged a meeting for Wan Ming Sing, Lou Chih Chung and Kong Kuo Hwa in my office. (..... illegible)
But I used to bring them to see Wan in his office in connection with the project after the licence had been granted. At times, after discussions in EDB we adjourned for lunch at various places including Maramar Hotel, King's Hotel and other restaurants. It was always Lou and Fong who paid for the lunch so far as I can remember. Whenever Lou or Fong saw Wan in EDB in my presence, they would take the opportunity to ask Wan to expedite with the applications for the release of fund of the shareholders.

19. Further to para 7 of my statement after the release of fund of next three applicants, Fong Kuo Hwa did not immediately pay the reward of \$3,000/- to Wan Ming Sing as arranged. Instead he requested me to speak to Wan and asked him to reduce the amount to half. I subsequently contacted Wan Ming Sing who then agreed to receive only \$1,500/- in respect of the approval of these three applicants. I then rang up Fong and informed him the same. Subsequently Fong handed me the \$1,500/- for me to pay Wan Ming Sing.

20. Further to para 8 of my statement Fong Kuo Hwa did not pay the reward to Wan Ming Sing after the refund of two shareholders Chang En Fu and Chan Yu Tian were released in April 73. As a result Wan Ming Sing did remind me casually when I met him about the reward and whenever I met Fong Kuo Hwa I would also casually brought up the matter to him. It was only until June 74 when Fong paid up the

In the Court of
Appeal

reward to Wan through me. At that time the fund for
all the shareholders had been released to the company.

Exhibit "F"
Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau
22nd March 1975
continued

Statement read over by
me and I confirm it as
true and correct

Recorded by

Sd.

Sd.

22/3/75

EXHIBIT "G"

Exhibit "G"
Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau
9th April 1975

Further statement of Tan Choon Chye on 9.4.75 at 1730
hrs at CPIB by Ag CSI Ng Kit Hong in English.

21. Today (9.4.75) at about 5.30 pm at CPIB I was
shown a male Chinese and I identified him as Wan Ming
Sing, the ex-Project Officer of EDB whom I mentioned
in my earlier statement (recorder's note: Tan Choon
Chye identified Wan Ming Sing).

10

Read over by me and I
confirm it as true and
correct

Recorded by

Sd.

Sd.

1735 hrs 9.4.75

Exhibit "H"

EXHIBIT "H"

Statements made
by the Appellant
to Corrupt
Practices
Investigation
Bureau
15th May 1975

Further statement of Tan Choon Chye recorded on 15.5.75
at 1440 hrs at CPIB by Ag CSI Ng Kit Hong in English.

20

22. I cannot remember the exact dates when I made the
payments to Wan Ming Sing on behalf of the shareholders
of M/s Yung Wah Industrial Co (Pte) Ltd. On all these
occasions I made the payments to Wan Ming Sing soon
after I received the money from the Taiwanese. It was
either on the same day or within a day or two. I usually
telephoned Wan Ming Sing at EDB to ask him to come to my
office to collect the money. As far as I can remember I
did not ring up his house to inform him this. Before he
came to collect the money, I would keep it in my office.

30

23. I do not keep a diary of my movements and appoint-
ments. I did not keep a record of such payments made to
Wan Ming Sing on behalf of Yung Wah Industrial Co (Pte) Ltd.

Statement read over by me
and I confirm it as true and
correct

Recorded by

Sd.

Sd.

1500 hrs 15.5.75

O N A P P E A L
FROM THE COURT OF APPEAL IN SINGAPORE
(CIVIL APPEAL)

B E T W E E N :

TAN CHOON CHYE

Appellant

- and -

SINGAPORE SOCIETY OF ACCOUNTANTS

Respondents

RECORD OF PROCEEDINGS

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