

31 December 2008
Ref : Chans advice/96

To: Transport Industry Operators

14-year imprisonment for cargo theft

On 21/8/2008, the China Guangdong Shenzhen Yiantian People Court sent a Mr D.H. Yeung to jail for 14 years for a cargo theft of RMB2,288,880.

In October 2007, Mr Yeung and a Mr C.F. Yu conspired to use false identity to apply for jobs in forwarder companies in order to steal the cargoes carried by the forwarders. They spent RMB200 to obtain a false identity card and driving licence in the false name of a Mr M.Y. Yuen. Thereafter, Mr Yeung was employed as a container tractor driver by a forwarder.

On 28/10/2007, the forwarder instructed Mr Yeung to drive a container tractor to collect cargoes from a shipper in Shenzhen. Mr Yeung then asked Mr Yu to go together, and collected a laden container of 720 sets of television from the shipper. On the way back to Yiantian, Mr Yeung and Mr Yu sold all the 720 sets of television to a "buyer" at a price of RMB370,000 (the cargoes were worth RMB2,288,880). Mr Yeung and Mr Yu each got RMB185,000. Mr Yeung used the money to buy a private car F53785.

Mr Yeung was subsequently arrested by the police and charged with the offence of theft, and he pleaded guilty in court. The Court held that:

1. Mr Yeung committed an offence of theft, and the amount of theft was particularly large;
2. Mr Yeung however had a quite good attitude of pleading guilty, disclosing the details and facts of the crime, and showing a certain degree of regret; Mr Yeung therefore should be entitled to a lighter sentence;
3. Mr Yeung was sent to jail for 14 years from 30/4/2008 to 29/4/2022, and he was also fined for RMB50,000;
4. Mr Yeung's car F53785 was given to his employer (the forwarder); and
5. the action to recover the stolen cargoes for returning to the forwarder should be continued.

Please feel free to contact us if you have any questions or you would like to have a copy of the Judgment.

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2008 will soon be concluded with mixed blessings. September has divided the boom from the gloom in the wake of worldwide credit crunch. In bad times, trouble makers are more eager and aggressive to create chaos. In simple terms, many would want to back off from committed contracts and obligations. Transaction lawyers suddenly would like to become litigation lawyers. As far as we know, many of the latter have their appointment book fully filled for the year. Those who have suitable risk management program in place are to a great extent immune from this wave. In our case, SMIC sees the sudden rise in transport claim cases, many of which although unfounded will still cost a lot, both time, energy and resources, which could have been spent in business generation. Thanks to the forwarder and logistics liability insurance in place, our clients are largely unscathed, and are ready to grab new opportunities as they arise.

SMIC would like to wish all in the logistics industry a very Happy New Year 2009 - Safe and profitable carriage.