



China's Business Newspaper

Ex-aviation chief faults wine lapse

Former civil aviation chief Albert Lam Kwong-yu told Eastern Magistrates' Court he "forgot" he was a board member of the Hong Kong Aircraft Engineering Co when he bought its shares after consuming five glasses of wine at a luncheon.

Alice So

Tuesday, January 31, 2012

Former civil aviation chief Albert Lam Kwong-yu told Eastern Magistrates' Court he "forgot" he was a board member of the Hong Kong Aircraft Engineering Co when he bought its shares after consuming five glasses of wine at a luncheon.

Lam, 66, is accused of insider trading involving the purchase of 4,000 HAECO shares on June 4, 2010 and their quick resale - in which he made a profit of HK\$80,000 - when he was a non-executive director of the company.

The prosecution questioned him as to how he could have still traded stocks online if he was not completely alert.

Lam, however, explained he is very familiar with the entire procedure.

The prosecution also questioned Lam whether it was his aim to return to his office in Admiralty after the luncheon and purchase shares right before the market closed that day.

But Lam said he went back to his office because a HAECO board meeting set for that day was still hours away.

He said he went online to check the share price of HAECO but was unsure how it led to a stock purchase.

He also said he usually does not mind buying shares higher than the market price because he still expects to make money.

Lau Fei-lung, a toxicology expert and the director of the Hong Kong Poison Information Centre, told the court that having consumed alcohol could have damaged Lam's ability to exercise clear judgment and resulted in him forgetting that he was a board member while purchasing shares.

Closing arguments will be delivered today.