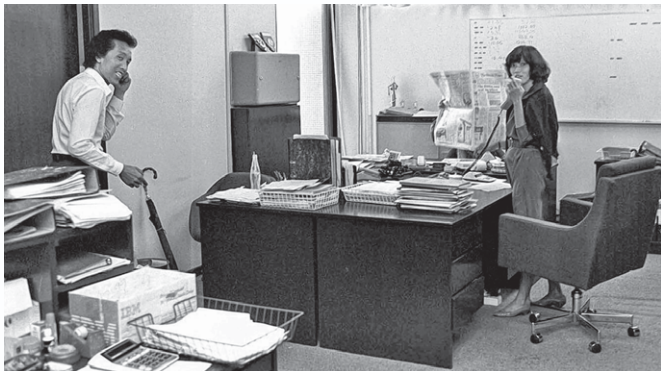


Excerpt



Employees of Jardine Fleming

MAS closes down Jardine Fleming operations

Merchant bank fails to meet high standards of professional competence

THE MONETARY Authority of Singapore has closed down the operations of Jardine Fleming (Singapore) Pte Ltd as a result of the latter's failure to meet the high standards of professional competence and care expected of a merchant bank.

In a statement issued last night, MAS said it withdrew approval for Jardine to operate on Oct 4 and cited three major instances where the merchant bank's corporate advice was found to be inadequate.

Jardine Fleming is a joint venture between Hongkong's Jardine Matheson & Co Ltd and London's Robert Fleming Holdings Ltd.

According to the MAS, as far back as late 1981 and early 1982, an inspection conducted on Jardine Fleming revealed that besides weaknesses in the credit administration and internal control procedures, substantial clean credit facilities were also granted to its

then managing director in contravention of Section 133 of the Companies Act.

Then in May last year, Jardine Fleming was appointed to advise Keppel Shipyard on negotiations to acquire a 58 per cent stake in Straits Steamship and delivered two reports which contained "serious deficiencies".

The next incident concerned inadequate advice given to the minority shareholders of Singapore Land in 1981. At that time, Singland proposed to acquire five cargo vessels from Ocean Shipping Group, a company controlled by Singland's major owners.

Despite the depressed conditions in the shipping industry and minority shareholders' protests against the purchase, Jardine Fleming recommended that the vessels be bought at US\$53 million compared with an original cost of US\$52 million to the vendor.

AUGUST 23, 1984

SES removes immediate delivery ruling on Pan-EI

Trading on 'ready' basis to resume from Sep 3

JULY 12, 1984

Times and SNPL to merge

New holding company will be worth \$1.4bn