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1. Shafee: 'Husni's testimony is off the charts'



Shafee said Husni's testimony required him to sit with Najib before he could proceed with the cross examination

KUALA LUMPUR: "We have been taken by surprise. What he testified today is completely off the charts."

That was the response of Datuk Seri Najib Razak's lead counsel Tan Sri Muhammad Shafee Abdullah after prosecution witness Datuk Seri Ahmad Husni Hanadzlah finished testifying against his former boss.

Shafee said Husni's testimony required him to sit with Najib before he could proceed with the cross examination.

"I need to take full instructions from my client.

"Some of the testimony given today is almost like an angry man against my client," he said, before appealing for a whole day to be given for him to prepare.

Shafee said Husni had said many things about how he was told not to get involved in 1Malaysia Development Bhd (1MDB) and SRC International matters but the former finance minister II still did.

"It was like a gun was held to his head.

"The circumstances require us to take further instructions from my client before I can proceed with cross examining him," he said.

Judge Mohd Nazlan Mohd Ghazali subsequently agreed for the trial to continue on Thursday.

Husni, who was serving in Najib's Cabinet until he quit the post in 2016, had earlier explained at length the going-ons in the Finance Ministry when it came to matters related to 1MDB and SRC International.

Najib, 66, is facing seven counts of money laundering, criminal breach of trust and power abuse involving RM42 million of SRC International funds.

He faces up to 20 years jail and fine for the offences.

2. 'Angry' Husni Hanadzlah claims he was reduced to 'office boy' status



Husni, who was Finance Minister II under Najib's administration until he quit the post in 2016, had everyone in court captivated with his insider background of what transpired in the ministry when it came to matters involving the two companies

KUALA LUMPUR: A very angry man testified against his former boss today and he did not hold back in telling all about Datuk Seri Najib Razak and his style of leadership.

More importantly, Datuk Seri Ahmad Husni Hanadzlah also spilled the beans on how Najib was instrumental in getting the Finance Ministry tangled up with 1Malaysia Development Bhd (1MDB) and its subsidiary companies, including SRC International Sdn Bhd.

Husni, who was Finance Minister II under Najib's administration until he quit the post in 2016, had everyone in court captivated with his insider background of what transpired in the ministry when it came to matters involving the two companies.

He related how he was reduced to being an office boy at one time, and how Najib told him off whenever he tried to enquire about 1MDB and SRC International.

The former Umno treasurer also described Najib as an autocratic leader and testified how the latter had blocked attempts to get money which had been frozen by the Swiss authorities to be brought back to Malaysia.

Husni started his much anticipated testimony by reading from a witness statement when the afternoon session of Najib's trial resumed after the lunch break at 2pm.

He was guided through his testimony by Deputy Public Prosecutor (DPP) Muhammad Izzat Fauzan.

The 67-year old noted that he was appointed as Finance Minister II in 2009 by Najib, who, he said, was an old acquaintance.

"However, I quit on 27 June, 2016," he said, without revealing the reason, although his testimony was riddled with insinuations on his disappointment with how things were done in the government under Najib.

Husni got the ball rolling by touching on the RM2 billion loan application by SRC International from the Retirement Fund Inc (KWAP).

He revealed how he was kept in the dark about it and only came to know when Tan Sri Nor Mohamed Yakcop was signing off on a memorandum which was to be presented to the Cabinet.

"I then asked Najib why such a big amount was being given to the company and he told me it was to enable them to get involved in coal mining activities.

"I told him this was best left to the private sector but he had other ideas," he said.

Husni said RM4 billion was eventually given to SRC International and a portion of the money was used as investment in coal mining activities in Java, Indonesia, and natural resources in Mongolia.

The balance, he said, was kept in Switzerland and Hong Kong.

"No documents whatsoever were presented by SRC International when they wanted the government to become guarantors for their loan," he said, adding there was also no feasibility studies done before 1MDB was formed.

"I brought all this up with Najib but he told me off.

"He said 'I know what I am doing and I am going ahead'."

Husni said he again confronted Najib when he found out that 1MDB was going to enter into a joint venture with Petro Saudi for oil and gas exploration activities.

"I warned him that we could end up losing everything as 1MDB had no experience in this. I told him it was best we leave such activities to Petronas."

Husni said instead of listening to the advise, Najib brushed him off by saying: "From today onwards you don't get involved anymore."

Husni said he later sent a personal letter to Najib regarding 1MDB but nothing came of it.

Izzat then asked Husni about how other Minister of Finance Inc (MoF Inc) companies operated.

He explained that every single one had proper structural charts and workflow.

However, in SRC International's case, he said the chief executive officer did not even bother to turn up for meetings.

"I have met everyone from the Bank Negara Governor to the top people from Petronas, Khazanah and other companies.

"However, the CEO of SRC International refused to meet me. I was reduced to being an office boy when it came to SRC International," he said.

Husni then tried to explain how another of Najib's close aides, Indonesian billionaire Tan Sri Peter Sondakh, had tried to bulldoze a deal for the government to get a stake in the St Regis Langkawi Hotel owned by his Rajawali Group.

"I chased them away when they came to see me," he said.

However, before he could continue, Najib's lead counsel Tan Sri Muhammad Shafee Abdullah objected by questioning the relevancy of such information against the charges faced by his client.

Judge Mohd Nazlan Mohd Ghazali told the prosecution to move on.

Husni then started talking about how he saw Najib and sought permission to meet the Swiss authorities to bring back money which had been taken there by SRC International after securing the KWAP loan.

"The Swiss said this was money from money laundering activities.

"I wanted to go there and show them that this was money from the KWAP loan but Najib refused to allow it," he said.

Husni, who was described as a very angry witness by the defence, will be cross examined by Shafee on Thursday.

Najib, 66, is facing trial over the abuse of SRC International funds amounting to RM42 million.

3. Husni: I still pray that Allah will open his eyes to the truth every day



Husni, who captivated everyone with his off the cuff remarks, witty answers and storytelling style of giving evidence, said he had prayed hard to seek divine guidance before calling it quits.

KUALA LUMPUR: God's name was invoked repeatedly in the High Court today, where Datuk Seri Najib Razak sat in the dock listening to his former cabinet colleague testifying against him.

The former prime minister could only sit through the whole day patiently hearing Datuk Seri Ahmad Husni Hanadzlah unravelling what transpired in cabinet meetings, events which led to his resignation and how he turned to God before making a decision on his career.

Husni, who captivated everyone with his off the cuff remarks, witty answers and storytelling style of giving evidence, said he had prayed hard to seek divine guidance before calling it quits.

He related two instances of how God had shown him the light when he faced a quandry over issues related to 1Malaysia Development Bhd (1MDB) and its former subsidiary company, SRC International Sdn Bhd.

The 67-year old, who was also former Umno treasurer, said the first instance happened when he was in Istanbul, Turkey.

"I was there when I got a call from a holy man who told me that he knew I was in a dilemma.

"I was then tasked to settle the debt issues faced by 1MDB.

"He spoke to me and just like that I came up with a solution which I forwarded to Arul (former 1MDB chief executive officer Arul Kanda)," he said.

However, Husni said even though his proposal for 1MDB's debt restructuring was very feasible, he was shocked when 1MDB decided not to follow it and instead did things which did not make sense.

"They sold entire stakes in the 1MDB assets... for example I proposed that they sell the Bandar Malaysia land to government owned agencies but they sold to a China company with unbelievable terms that the payment was only to start in 2022."

Later to a question from deputy public prosecutor Muhammad Izzat Fauzan on what led him to resign from Najib's cabinet in June 2016, Husni again revealed how he had gone to Mecca to seek divine guidance on his future.

"I was troubled with what was going on and I prayed hard.

"It was while I was in Mecca I decided that enough was enough."

Earlier, Husni appeared unfazed when Najib's lawyer Tan Sri Muhammah Shafee Abdullah attempted to ask him about a sexual harassment report which had been lodged by a woman working in the Ministry of Finance against him.

Shafee asked whether a police report had been lodged against him and Husni replied in the affirmative.

"Lucky it was a woman and not a man," the senior counsel said.

However, before he could proceed further, lead prosecutor Datuk V Sithambaram objected to the line of questioning.

He argued that questions about the alleged sexual harassment case had nothing to do with the trial.

"These are just scandalous and offensive questions aimed at insulting and embarrassing the witness," he said.

Shafee replied that he was just trying to establish the motive behind Husni's angry demeanour against his client throughout the latter's testimony.

"He perceives that my client was behind the allegation and we need to establish if he has an agenda.

"It is not intended to insult or embarrass him," he said.

Judge Mohd Nazlan Mohd Ghazali eventually ruled that he would not allow such questions "which appear scandalous in nature".

Husni said he had no grudges against Najib and continued to pray for him every day.

"I still pray that Allah will open his eyes to the truth every day," he said at one point when asked if he was angry with Najib.

Najib, 66, is facing six charges of money laundering and criminal breach of trust.

He is accused of transferring RM42 million of SRC International's money into his own accounts.

He is also accused of abusing his power as prime minister and finance minister by giving government guarantees on SRC International's RM4 billion loan from the Retirement Fund Inc (KWAP).

The Pekan member of parliament is accused of committing the offences at AmIslamic Bhd in Jalan Raja Chulan and the Prime Minister's Office in Putrajaya between Aug 17, 2011 and Feb 10, 2015.

4. Husni: Najib fixed me with sexual harassment charge

KUALA LUMPUR: It could have come straight out of a blockbuster courtroom thriller when a key prosecution witness testified today, revealing how Datuk Seri Najib Razak fixed him with a sexual harassment charge after he raised issues concerning 1MDB in Parliament.

Former Finance Minister II Datuk Seri Ahmad Husni Hanadzlah said his son was also sacked from a company which was bidding for a multi-billion ringgit road contract after that.

He said all this happened to his family after he decided enough was enough and quit Najib's cabinet in June, 2016.

The 67-year old recounted how his speech in Parliament in October 2015, where he touched on the problems faced by 1MDB, led to the sexual harassment accusations against him.

He said one of Najib's aides visited him in his house the same night and told him that the then prime minister (PM) wanted to see him straightaway.

"I told him that I was tired and I won't go.

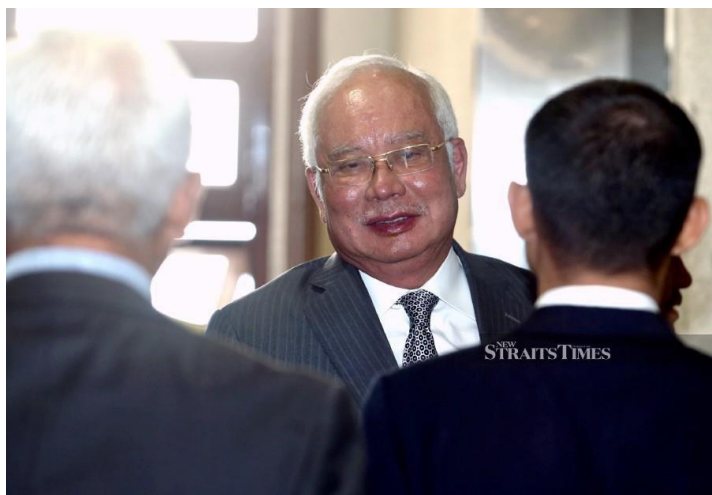
"However, he told me that the PM really wanted to see.

"He said 'otherwise, tomorrow they attack you'."

Husni said he stayed home and true enough the attacks against him started the very next day.

He related how his son, who worked with the New Pantai Expressway (NPE), had attended an Economic Action Council meeting and the minutes of what was discussed were uploaded on blogger Raja Petra Kamarudin's website almost immediately.

Husni said the blogger wrote that he was angry NPE did not get a RM2.7 billion project the company was bidding for.



Datuk Seri Najib Razak spends some time chatting out side the court room.

After that, he said, Umno-owned Utusan Malaysia ran a story about an alleged scandal involving a former minister and so on.

"So, you see there was a sequence to it all.

"That is why I knew that Najib was behind it," he said.

Husni said he then messaged Najib and asked: "What is all this?."

Najib, he said, just told him to discuss it with Datuk Seri Nazri Aziz (also a former minister and Umno supreme council member).

"I did not get to talk to Nazri because he was overseas.

"However, the attacks stopped after that. So, we can see who was telling them to attack."

Najib's lawyer Tan Sri Muhammad Shafee Abdullah then questioned Husni if he was angry with Najib over what had happened.

Husni: "No, I was not upset. In fact I still pray for him daily. I pray Allah will open his eyes to the truth."

Shafee: "How can you then continue making an assumption that Najib was behind all this?"

Husni: "I am not making an assumption... it is all based on evidence. The sequence of events shows it all."

Shafee then questions Husni on his son's termination from NPE.

Shafee: "Did NPE get the contract?"

Husni: "I don't know."

Shafee: "I will tell you that the project was scrapped. It was a RM1 billion project and because of that your son lost his job."

Husni: "Yes, he lost his job a few days after that. He was dismissed because of the Raja Petra story."

Shafee then moved on to question Husni about an alleged message which was sent to a former minister.

In the message, Husni had allegedly informed the minister that he would expose everything if "they" continued to create stories against him.

Part of the message read: "I have not opened my mouth yet... so far only one per cent of the story is out. I can release five per cent, 10 per cent, 30 per cent, 50 per cent, 75 per cent or 100 per cent. All the information is in my hands. So, don't play foul with me... otherwise the whole story will be out."

However, Husni claimed he could not remember sending the message.

Husni, who is the 56th witness to be called so far, completed his testimony today.

The prosecution is set to call its final witness, an investigating officer from the Malaysian Anti-Corruption Commission, to take the stand tomorrow.

Najib, 66, is facing six charges of money laundering and criminal breach of trust.

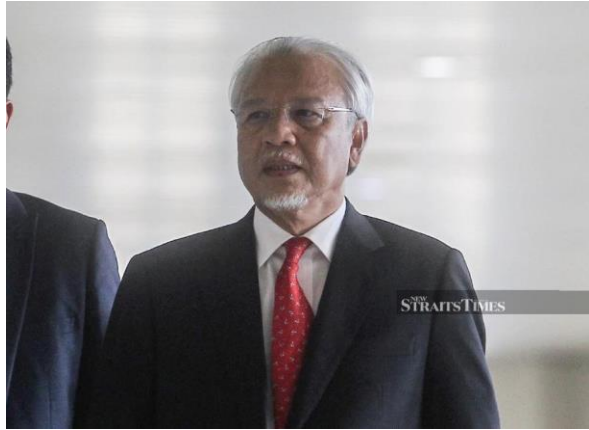
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He faces up to 20 years' jail, and fine, if convicted.

5. Husni: I only told part truth then because I didn't want to spoil PM's name



He may have been reduced to being an office boy by his ex-boss Datuk Seri Najib Razak, but former Finance Minister II Datuk Seri Husni Hanadzlah is turning out to be a tough cookie to crack in court.

KUALA LUMPUR: He may have been reduced to being an office boy by his ex-boss Datuk Seri Najib Razak, but former Finance Minister II Datuk Seri Husni Hanadzlah is turning out to be a tough cookie to crack in court.

He held his own despite being bombarded with a barrage of questions from Najib's lawyer Tan Sri Muhammad Shafee Abdullah, who tried all morning to discredit the 67-year-old's testimony yesterday which had put the former prime minister in a bad light.

Despite Shafee's best attempts, Husni answered all questions put to him and even tried to go beyond what was asked.

His eagerness to talk was however dampened by Shafee, who reminded him several times that "this is not Parliament".

"Here, I ask the questions and you just answer.

"Otherwise we will be here forever," he said in exasperation at one point.

However, Husni took on the sarcasm by replying in Malay: "Takpa (its okay)."

Shafee immediately retorted by saying: "Takpa for you... I have got other things to do."

The senior counsel's response had everyone, including the judge, giggling.

Earlier, Shafee put Husni through questions which touched on the latter's testimony yesterday, including his decision to resign from the Cabinet in 2016 and also the alleged instructions he (Husni) received from Najib to not get involved in 1Malaysia development Bhd (1MDB) and its subsidiary company SRC International Sdn Bhd related matters.

On his resignation, Husni said he turned up in office one day and was shocked to read a newspaper report that he was going to be transferred out of the Finance Ministry.

"It was on June 26, 2016...I remember it was a Monday and there was an Economic Council meeting scheduled on that day.

"I read the newspaper report and attended the meeting...I kept quiet throughout... After the meeting I went up to the prime minister to seek clarification.

"He confirmed it... I appealed if he could allow me to stay on as I wanted to complete a debt rationalisation plan but Najib insisted that he wanted me in another ministry," he said.

Husni said after hearing that Najib wanted him transferred to the Local Government Ministry he told the prime minister to "please drop me, thank you."

Shafee: You resigned on your own accord because you were being transferred?

Husni: Yes... although there was more to it.

Shafee: You agree that as the prime minister he has the discretion to rotate his ministers?

Husni: Yes

Shafee then questioned Husni about the press statements he made to the press after resigning.

He reminded Husni that in all the statements he made it clear that his resignation had nothing to do with 1MDB or SRC International.

"Yes... but it was only partly true.

"I said that because I wanted to cover the real story. I did not want the papers to write all kind of things and spoil the prime minister's name... I was covering the PM," he said.

Shafee then asked Husni why he did not raise his objections on matters related to SRC International in Cabinet meetings.

To this, Husni said he had spoken about his reservations with Najib directly and told the the prime minister everything that needed to be said about the company.

However, Shafee continued to push him on why he did not bring it up in the Cabinet meetings.

Husni then replied:

"Let's be honest... as a normal person you won't.

"I had spoken to him directly and told him what needed to be said... he told me to stay out.

"Therefore, there was no reason for me to bring it up anymore... I would have but in politics things are difficult."

Shafee: Have you heard about collective responsibility?

Husni: But I spoke to the PM... He has the full power. That is why I said he is an autocratic leader but you don't believe me.

Shafee: But if you had raised it as politely as possible your views would have been minuted. You would have gone down in history as someone who raised the issue.

Husni: I don't need to be in history.

Shafee: When Tan Sri Nor Mohamed Yakcop (then Minister in the Prime Minister's

Department) presented the Cabinet paper on SRC International's loan request, did you participate in the discussions?

Husni: There were no discussions... It was tabled and everyone just shouted setujuuuu (agreed).

Najib, 66, is facing seven counts of money laundering, criminal breach of trust and power involving RM42 million of SRC International funds.

He faces up to 20-years' jail and fine for the offences.

6. Open tender the way to go

MALAYSIAN Malay Contractors Association president Datuk Mokhtar Samad said its members welcomed the government's commitment and support for open tenders.

The move is considered an improvement because it prevents backdoor deals, which can happen when projects are given through selected tenders or direct negotiations.

But it is shocking when he confirmed that, in the past, 10 "crony companies" would take part in selected tenders, working in cahoots with one another, or in other instances, contracts would be awarded by direct negotiation, and jobs given directly to cronies "with all sorts of reasons being given" to justify the awards.

The goal of the government's procurement process is to support government programmes by obtaining value for money through acquisition of works, supplies and services. The government's budget for acquiring goods and services is diverse and huge.

Public contracts are necessary for the provision of transport, electricity, water and communications.

Public sector projects are thus costly and may constitute a high risk for fraudulent procurement.

Last year, the government spent RM220.9 billion on development (assets and services).

Because large amounts of public funds are channelled to the market through public procurement, the procurement process continues to be vulnerable to fraud and corruption.

The Association of Fraud Examiners Report to the Nations 2018 said an organisation loses at least five per cent of its profit due to fraud.

Much of this is through procurement fraud — corruption and asset misappropriation.

The procurement system refers to those processes, procedures, and entities involved in the purchase of goods and services by private or public entities.

The three stages of procurement are pre-solicitation, solicitation and post-solicitation.

Pre-solicitation involves activities related to requirement, planning, research, funding, developing the procurement strategy and solicitation document, and determining contractors.

Collusion between procurement government officers and bidders often happens, such as providing insider information, contractors submitting their own proposals, tailoring specifications and shortening tender periods.

Solicitation includes the competitive bid from contractors or suppliers who can meet the specifications, requirements, needs and price.

This stage concerns the awarding of tenders, issuing work authorisation, assessing work progress and at times conducting site visits. Corruption and abuse of power may take place during site visits.

Post-solicitation includes final amendment to contract, payment and proof of delivery. The bidding process is vulnerable to fraud and can be difficult to detect, especially in large organisations with complex procurement operations.

During pre-solicitation, tender officers have to conduct market and benchmarking of the product or services. It is found that government departments are using only 55 per cent of contracts by E-procurement. The rest is by conventional procurement.

This is where contractors and vendors take advantage of the weak system, including unregistered vendors. The government must make e-procurement for public tenders mandatory. All transmission of requests for participation and submission of tenders must be done through electronic means to prevent fraud.

There are many lapses that may occur during procurement, such as conflict of interest, misuse of power, undue influence in the needs assessment, embezzlement, fraud in bid evaluation and tender manipulation, and bribery of public officials involved in the award process.

Bad politics seemed to have contributed to the deterioration of integrity and good governance. Some corrupt ministers, politicians or senior government officials see this as a goldmine for making easy money, especially relating to expenditure for the public sector.

The government must address the issue of integrity first to overcome corruption. Projects mean money rather than benefit to the people. The higher the price, the better their commissions.

Based on complaints received by the Malaysian Anti-Corruption Commission between 2013 and last year, wrongdoing involving procurement was 42.8 per cent, which topped the list of sectors prone to corruption.

However, the World Bank estimated that 20 to 30 per cent of budget for public contracts is wasted. This finding matches what Tan Sri Ambrin Buang, the former auditor-general and chairman of the new Special Investigative Committee of Administrative Affairs, Procurements and Government Finance, predicted, that up to 30 per cent of Malaysia's public projects' value was lost owing to mismanagement and corruption.

The Economic Affairs Ministry confirmed that the lack of transparency is among the reasons that the national debt has increased. To avoid increasing the national debt, the way forward is to award contracts by open tender. It provides an effective way by which companies can tender based on the expertise in their organisations.

Pakatan Harapan had stressed in its election manifesto that open tendering would be used "extensively and transparently". Transparency and fair competition are important to ensure best results while spending public money.

Contracts, therefore, should be awarded to only qualified, reliable and competent contractors. They should not be awarded to cronies. No more procuring contracts by direct negotiation.

Transparency is the antidote to the disease of corruption. To make public administration more open, transparent and accountable, procurement must follow a tight legal framework to ensure that standards are met and there is quality in the selection process.

Procurement procedures need effective controls to prevent fraud and other irregularities. Continuous monitoring will establish compliance, integrity and ethical standards.

Big data means lots of data is growing every day and becoming a key area of focus for procurement. Many nations are using big data analytics to analyse correlations, uncover patterns of corruption and fraud in public procurement.

The traditional system can store only a small amount of data but with big data large amounts of data that may consist of hundreds of terabytes (equivalent to 1,024 gigabytes) and beyond, the cost of data storage can be reduced and the quality of business intelligence will be improved. This will increase efficiency of procurement decisions.

Fraud and corruption in procurement are common in Malaysia. Our priority must be to reduce this as much as possible and boost the process with strong institutions, adequate controls and safeguards.

7. New mystery man emerges in 1MDB scandal



ANDREA Vella was Goldman Sachs's top dealmaker in Hong Kong.

He had a nose for splashy trades, a fondness for the Bentley Continental, and a vague enough resemblance to George Clooney that there was even a joke among some bankers: "What would George do?"

That was almost a year ago. Then US prosecutors dragged him into one of the biggest Wall Street scandals in a generation. Without charging him, they filed court documents tying Vella to the conspiracy that looted billions of dollars from the Malaysian investment fund known as 1MDB. The bank promptly put him on leave.

Now as the US weighs how to handle Goldman Sachs, Vella is the mystery man to watch. If someone so powerful is found to have helped fuel the fiasco, it will be much harder for the bank to contain it by pinning blame on a rogue partner, Tim Leissner.

During confidential talks, the bank has been at odds with prosecutors over their description of Vella's role in key moments of the 1MDB deals, according to people familiar with the discussions. Authorities have said that he dealt with the scandal's alleged mastermind, Jho Low, and was aware of plans to bribe officials - a narrative Goldman has been disputing.

There's another reason Vella's involvement strikes a nerve. He helped structure 1MDB's fundraising, and after money went missing played a central role in Goldman's initial review of what went wrong, one of the people said. When US prosecutors in Brooklyn described his involvement in court filings last year, without naming him, it alarmed some members of Goldman's board, who worried the claims might further taint the firm's senior leadership, two people said.

In the months since, Vella has been lying low in Asia, training for a triathlon while collecting checks from the firm that doesn't want him at the office. The charismatic banker has skirted scandals before, bouncing back at least twice after major deals in Greece and Libya went south.

This account of how Vella ended up in limbo is drawn from interviews with more than a dozen colleagues, friends and people involved in examining Goldman's alleged role in the 1MDB scandal. Representatives for Vella and for the Brooklyn prosecutors declined to comment. "Goldman Sachs refused to confirm any of these details, but we are continuing to cooperate with the proper authorities," bank spokeswoman Maeve DuVally said.

MONEY MAKER

The Italian investment banker could have been a rocket scientist. Vella spent two years at the United World College of the Atlantic in Wales, then six more at the Sapienza in Rome, according to his LinkedIn profile. It says he graduated from the university, one of the oldest in Europe, in 1997 with a master's in aeronautical engineering.

Instead he became a banker, working for JPMorgan Chase & Co. in a burgeoning new field, helping structure complex derivatives for clients. That business proved particularly lucrative, and Vella soon emerged as an important money maker at JPMorgan's outpost in London. He came to be associated with some of the most elaborate products sold to clients in Southern Europe.

In 2007, Vella's team at JPMorgan arranged a Greek bond deal that left the country's pension funds feeling cheated. That triggered the labour minister's ouster, a protest strike and questions about what executives knew. The bank ended up firing a sales executive, who claimed he was scapegoated by his bosses. JPMorgan denied his accusation at the time.

Vella jumped to Goldman Sachs months later, joining as a partner, the bank's most senior rank - a rare feat for an outsider. People who worked with him describe him as both macho and charming, at times riffing off his similarity to Clooney, especially when sporting a beard. Above all, he aggressively focused on making big sums of money for the firm.

Libyan losses

Three months after joining Goldman he flew to Tripoli, where despot Moammar Qaddafi had started a US\$60 billion sovereign wealth fund. At the time, Vella coached a colleague in an email about how to land such a big client: "Often they don't know what they want or need, we need to interpret their confused words and show them the right things."

The Libyans placed derivative bets with Goldman that blew up, costing them more than US\$1 billion. When they sued Goldman in London's High Court, Vella was called as a witness. Asked about an allegation that a salesman on the deal used his own money to pay for two prostitutes during a trip with an official's brother, Vella said "it's inappropriate" but that it would be "more of a personal

relationship at that point." As for a claim that Vella got so mad as the deal was falling apart that he took off his shoe and pounded it on the table? That he didn't recall. He wasn't accused of wrongdoing.

By the time the court sided with Goldman Sachs, the dispute with the Libyans was already overshadowed by the firm's work for Malaysia. At the time, Vella was one of two executives overseeing investment banking for all of Asia except Japan, making him one of the most powerful dealmakers outside the firm's New York headquarters.

Goldman Sachs's description of what happened in Malaysia goes like this: The bank didn't know that much of the US\$6.5 billion it raised for 1MDB in 2012 and 2013 would allegedly be steered out of the country. That's because Goldman says it was tricked by Leissner, its chairman for Southeast Asia. Goldman made an eye-popping US\$593 million off those deals, which the firm has said was appropriate given the risk involved.

After the US accused Leissner last year of bribing officials and helping to pilfer proceeds meant for the investment fund, he pleaded guilty to charges including conspiring to launder money. His former deputy, Roger Ng, was later extradited to the US after spending time in a Malaysian jail. He's fighting the charges and, according to his attorney, denies any complicity in wrongdoing or sharing information with Vella about bribes, as the US has alleged.

'CO-CONSPIRATOR #4'

Investigators in Asia and the US have been trying to make the case that corruption at Goldman Sachs reached beyond Leissner and Ng. Last week, prosecutors in Malaysia ratcheted up their pressure on the bank by filing criminal charges against 17 current and former executives. Yet that move appeared to be technical -- adding directors and officers who can be held accountable for crimes under their watch. Vella wasn't among them. Goldman called the expansion of that case "misdirected," vowing to contest the claims.

The bigger fight is looming in the US, where Assistant Attorney General Brian Benczkowski has said prosecutors are preparing to hash out a settlement with the bank. Last year's charging documents against Leissner show investigators believed problems reached up the chain to "Co-Conspirator #4." He has since been identified as Vella.

In that account, authorities said Vella was briefed on a plan to pay bribes and kickbacks to ensure 1MDB's fundraising proceeded, and that he, Leissner and others conspired to circumvent Goldman's systems protecting against foreign corruption. Investigators say that at times Vella met with Low, yet failed to mention the middleman's involvement to Goldman's internal gatekeepers. Prosecutors didn't accuse Vella of looting 1MDB.

Still, Goldman is sticking to its rogue-employee defence, telling investigators and regulators that none of its senior executives at the firm knew about the involvement of middlemen. In confidential

talks with the government, the firm has said Vella didn't know about money allegedly funnelled to officials to smooth the deal's path. After poring through Vella's travel records, Goldman concluded he wasn't in Malaysia at the time that prosecutors said he met Low and 1MDB officials, according to people familiar with the matter.

Also at issue is a March 2012 meeting in Abu Dhabi that prosecutors mentioned in court records last year. Goldman has determined that Vella met Low, but told prosecutors it had nothing to do with the 1MDB deal. The event was a dinner party with more than a dozen other people that included Low's female companion, according to one person familiar with the matter.

IN LIMBO

The firm's defence of Vella contrasts with the way Goldman has treated Leissner. David Solomon, who ran investment banking at the time of the Malaysian deal and now leads the firm, has called Leissner a criminal who lied to bosses.

Yet the firm stood by Vella. His involvement years ago in the bank's initial post-mortem of what went wrong in Malaysia rankled colleagues, according to a person with knowledge of the situation. Some subordinates were also heard griping about his ability to hold on to his role as the region's banking chief when such a big deal was under scrutiny.

Then, in October of last year, the firm kicked him into the ceremonial role of co-chair. Days later, the Justice Department unsealed its accusations, prompting Vella's leave — and his limbo ever since.

8. Wheelchair-bound former lawyer faces another 6 CBT charges



Former lawyer Mohd Haidar @ Hasmayudin Mohd. Hashim is escorted to the Kuala Lumpur Sessions Court.

KUALA LUMPUR: An ex-lawyer who is currently serving a 10-year jail term for committing criminal breach of trust (CBT) was charged again at the Sessions Court for another six similar charges.

Mohd Haidar @ Hasmayudin Mohd Hashim, 47, however pleaded not guilty when the charges were read to him before judge Zamri Bakar.

The wheelchair bound accused who arrived at the Sessions Court at about 10am was slapped with another six CBT charges amounting to RM806,458.74.

Haidar was wheelchair bound after suffering from a stroke and is currently serving his jail term at the Kajang Prison.

The accused had allegedly committed the offence at his law firm Messrs Mohd Haidar & Co located at No. 2-2 Tower 3, Bangsar Avenue 3, Jalan Kerinchi between July 10, 2015 and Oct 13, 2016.

The offence falls under Section 409 of Penal Code which carries a maximum of 20 years imprisonment and a fine.

Deputy public prosecutor Nurul Khairiyah Samsudin did not offer bail against the accused.

Haidar is serving his 10-year sentence at the Kajang Prison since 2017 after pleading guilty to eight previous CBT charges.

9. MACC releases Arul Kanda's shares accounts

KUALA LUMPUR: The Malaysian Anti-Corruption Commission (MACC) has unfrozen two bank accounts of former 1Malaysia Development Bhd (1MDB) chief executive officer Arul Kanda Kandasamy, who is facing a corruption charge.

The two accounts which contain shares were released by the agency yesterday following a notice of motion filed by Arul Kanda to unfreeze the accounts that were held for investigations related to the 1MDB scandal.

Counsel Datuk S. Sivananthan who represented Arul Kanda told the court today that his client had withdrawn the notice of motion upon the release of the accounts.

"My client no longer wishes to pursue the motion and also withdrew the claim of damages," he said.

High Court judge Mohamed Zaini Mazlan subsequently struck out the notice of motion.

Arul Kanda had filed the notice of motion on Monday claiming that the order to freeze his accounts under Section 44 of the Anti Money-Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act (AMLA TFAPUAA) 2001 issued by the MACC on July 12, 2018, was null and void.

Arul Kanda had sought for the two central depository system accounts holding his shares to be released by the commission.

He had also sought for damages for loss of investment opportunities with interest from the date his accounts were supposedly released on July 13, 2019, until the date of the release of the accounts.

Meanwhile, outside the court, Sivananthan said the motion was filed by his client since there was no prosecution or forfeiture action taken throughout the one year the accounts were frozen.

"We filed the application since neither of these had been done. So our application has now become academic because the MACC released the accounts yesterday," he said.

Sivananthan said nine bank accounts had been frozen and seven of which were his client's bank account were earlier released by the MACC.

Arul Kanda, 43, will go for trial together with former prime minister Datuk Seri Najib Razak for their charge of tampering an audit report on the state fund.

The trial is set to commence in November.

On Dec 12, last year, Arul Kanda was charged at the Sessions Court with committing the offence at Kompleks Jabatan Perdana Menteri in Putrajaya between Feb 22 and 26, 2016.

He allegedly abetted Najib, 66, in using the latter's position as then prime minister to order the amendment to the report.

He faces a maximum 20-year jail term, and a fine no less than five times the graft involved or RM10,000, whichever is higher.



The Malaysian Anti-Corruption Commission (MACC) has unfrozen two bank accounts of former 1Malaysia Development Bhd (1MDB) chief executive officer Arul Kanda Kandasamy, who is facing a corruption charge

10. MACC man disputes assertion Jho Low was ultimate culprit in SRC scandal



Datuk Seri Najib Razak drinks while leaving the Kuala Lumpur Court Complex during the ongoing SRC International trial

KUALA LUMPUR: Fugitive businessman Low Taek Jho @ Jho Low was today painted as the ultimate culprit in the SRC International Sdn Bhd scandal which landed former prime minister Datuk Seri Najib Razak in the dock.

Najib's lawyer attempted to pin everything that had gone wrong and the embezzlement of the company's funds on Low, but this was brushed off by the investigating officer of the case.

"Jho Low was treating the company like it belonged to his father, wasn't he.

"He is the one who controlled the accounts through his associates and is ultimately responsible for all the wrongdoings, isn't he?" Najib's lawyer, Harvinderjit Singh, said when cross examining Malaysian Anti-Corruption Commission (MACC) investigating officer Senior Assistant Commissioner Rosli Hussain.

Harvinderjit repeatedly shot questions of a similar nature to Rosli, but the 54-year old graft buster did not budge and was steadfast in his answers.

He consistently rejected the lawyer's suggestions that Najib had been duped by Low, who was blamed for manipulating SRC International and several other companies which had been implicated in the scandal.

The companies named included Putra Perdana Construction Sdn Bhd, Ihsan Perdana Sdn Bhd (IPSB) and Gandingan Mentari Sdn Bhd (GMSB).

Harvinderjit then said Rosli was denying his suggestions as the MACC had failed to conduct a thorough investigation into the case.

However, Rosli disagreed with such assertion and said his investigation showed that whatever was done "did not benefit Low".



Malaysian Anti-Corruption Commission (MACC) investigating officer Senior Assistant Commissioner Rosli Hussain gestures while leaving the Kuala Lumpur Court Complex.

Earlier, Rosli also stood firm when Harvinderjit attempted to pressure him on the authenticity of Najib's signatures on documents which had been tendered as evidence in the case.

He maintained that the signatures were indeed Najib's, and as far as he was concerned the documents were originals which had been obtained from AmBank, where the former finance minister had opened his accounts.

To another question, Rosli confirmed that MACC investigations showed that RM642 million had flowed in Najib's accounts from Prince Faisal Turki and also the Ministry of Finance in Riyadh.

Harvinderjit: Can you confirm that there was money which went into his account from Prince Faisal Turki.

Rosli: Yes

Harvinderjit: The amount was RM369 million

Rosli: Yes... thereabouts... it was a lot of money

Harvinderjit: There was also money which came in from the Ministry of Finance in Riyadh, Saudi Arabia

Rosli: Yes

Harvinderjit: The amount was RM243 million

Rosli: Yes

After some tense moments during the cross examination, there were also some lighthearted exchanges between the duo.

This happened when Harvinderjit did not want to get off Rosli's back after the latter said he could not remember the full name of another MACC investigating officer who was involved in probing the 1Malaysia Development Bhd (1MDB) scandal.

Harvinderjit: Her name is Aidah... she is also a senior assistant commissioner

Rosli: Yes

Harvinderjit: What is her full name?

Rosli: I cannot remember

Harvinderjit: But she is your colleague?

Rosli: Yes she is my colleague... colleague yes, but she is not my wife so I cannot remember her full name.

His response had everyone laughing and Harvinderjit, who joined in the appreciation of the witty response, eventually moved on to another question.

Najib, 66, is facing six charges of money laundering and criminal breach of trust in the transfer of RM42 million of SRC International funds into his accounts.

He is also accused of abusing his power as prime minister by giving government guarantees on SRC International's RM4 billion loan from the Retirement Fund Inc (KWAP).

The Pekan member of parliament was charged with committing the offences at the AmIslamic Bank Bhd in Jalan Raja Chulan and the Prime Minister's Office in Putrajaya between Aug 17, 2011, and Feb 10, 2015.

He faces 20 years' jail if convicted. The trial before High Court Judge Mohd Nazlan Mohd Ghazali continues.

11. 1MDB forfeiture: RM1.2mil from 3 entities back to govt's coffers



The government is set to recover more than RM1.2 million related to 1Malaysia Development Bhd (1MDB) funds from Yayasan Rahah, Umno Pekan Division Education Bureau chairman Datuk Ibrahim Awang Ismail and Naza Quest Auto Sdn Bhd

KUALA LUMPUR: The Malaysian government is set to recover more than RM1.2 million related to 1Malaysia Development Bhd (1MDB) funds from the bank accounts of three entities, including Yayasan Rahah.

The other two entities are Umno Pekan Division Education Bureau chairman Datuk Ibrahim Awang Ismail and Naza Quest Auto Sdn Bhd.

The government had applied to forfeit RM839,489.82 from Yayasan Rahah; RM100,000 from Ibrahim and RM269,662 from Naza Quest Auto.

Earlier, deputy public prosecutor Allan Suman Pillai told High Court Judge Mohd Nazlan Mohd Ghazali that the three respondents had agreed to the forfeiture.

He proposed for an early date for mention of the case considering that the respondents were ready to surrender the amount to the government.

The court set Sept 6 to record the agreed judgement for Yayasan Rahah and Ibrahim, and Sept 13 for Naza Quest Auto.

The prosecutor made the application for forfeiture under Section 56(1) of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

It also filed an application to publish in the gazette a notice to third parties with interest in the seized property to stake their claim in court under Section 56(1) and 61(2) of the same Act.

Meanwhile, the court has fixed Aug 30 for decision on Umno Pekan division's application to dismiss the prosecutor's application to forfeit RM700,000 in the respondent's frozen account.

The court set the same date for third parties with interest in the money to appear in court and stake their claim.

Umno Pekan division's counsel Datuk M Reza Hassan had objected to the publication notice filed by the prosecution.

"The applicant had named the wrong party; it should name the director or individual in Umno Pekan," he said.

Deputy public prosecutor Maziah Mohaide from the Malaysian Anti-Corruption Corruption (MACC) said the frozen account belonged to Umno Pekan and therefore appropriate for MACC to name the division.

MACC chief Latheefa Koya told a press conference recently that the prosecution filed forfeiture applications against 41 respondents in a bid to recover about RM270 million related to 1MDB.

She said MACC acted under the Anti-Money Laundering and Anti-Terrorism Financing Act as it believes the sums concerned were actually 1MDB funds transferred from the account of former prime minister Datuk Seri Najib Tun Razak.

12. Guan Eng: Govt's additional RM58b debts in 1H2019 is to service existing commitments



Finance Minister Lim Guan Eng said Pakatan Harapan government have to take on additional RM58.05 billion in debts in the first half of the year because it has to service the existing commitments by the previous government.

KUALA LUMPUR: The Pakatan Harapan government have to take on additional RM58.05 billion in debts in the first half of the year because it has to service the existing commitments by the previous government, said Finance Minister Lim Guan Eng.

"The additional debts undertaken is to carry out existing commitments that were already made previously.

"In terms of percentage, our total commitment, including government guarantees and contingent liabilities have been successfully reduced from 80 per cent to 75 per cent of our economy," Lim said.

The minister was responding to a worrying query raised by Universiti Tun Abdul Razak economist Barjoyai Bardai that the government's debt had swelled to RM799.1 billion from RM686.8 billion as at the end-2017.

"You must realise that the previous government hid the fact that they had been repaying the 1MDB loans. Only after the new government took over that we are transparent about the debt paying with the public.

"So, we continue to pay off the 1MDB debts," Lim told reporters after officiating at AirAsia Foundation's Destination: GOOD social enterprise hub here today.

Also present were AirAsia group chief executive officer Tony Fernandes, executive chairman Kamarudin Meranun and AirAsia Foundation executive director Yap Mun Ching.

While the government has incurred new debt — comprising RM51 billion government sukuk and RM7 billion Samurai bonds, Lim explained the government has also repaid RM17.7 billion in the same six months.

The minister went on to highlight international credit agencies S&P Global Ratings and Fitch Ratings had recently reaffirmed Malaysia's sovereign credit rating with a stable outlook despite the Pakatan Harapan government revealing the full extent of Malaysia's fiscal and debt obligations.

"In the second quarter of this year, Malaysia's economy grew 4.9 per cent from a year ago. This surpassed the 4.5 per cent economic growth in the first quarter.

"I think our economic performance so far has shown that not only it has exceeded expectations. Foreign investors continue to come in," he added.

Last week, Prime Minister Tun Dr Mahathir Mohamad announced the government will relook into the imposition of departure levy on travelers flying out of Malaysia.

Lim confirmed the Cabinet had made a decision, but stopped short of making an announcement.

"The Cabinet has made a decision and it has been decided that the announcement will be made by the Transport Ministry," added Lim.

13. Prosecution wraps up case, Najib to know on Nov 11 whether to enter defence



Datuk Seri Najib Razak arrives at the Kuala Lumpur Court Complex

KUALA LUMPUR: After 58 days, the prosecution finally rested its case in Datuk Seri Najib Razak's trial over the alleged misappropriation of RM42 million of SRC International Sdn Bhd funds.

Attorney-General Tommy Thomas officially closed the case today after the final prosecution witness, Malaysian Anti-Corruption Commission (MACC) investigating officer Rosli Husain, left the stand after testifying for eight days.

In concluding the case, Thomas said the prosecution would offer 66 witnesses to the defence should defence be called.

"This trial, which began on April 3, has reached 58 days with 57 witnesses called to testify... (it) has come to an end," he said.

After the prosecution formally wrapped up its case, High Court judge Mohd Nazlan Mohd Ghazali set Nov 11 to decide whether the former prime minister would be called to enter defence or be acquitted.

Najib's lead counsel, Tan Sri Muhammad Shafee Abdullah, then asked the prosecution whether the witnesses offered were physically available to be present in court, to which deputy public prosecutor Datuk V. Sithambaram said "most of them are contactable".

"In our mind, the witnesses are available. If we cannot locate them, we will inform," he said.



Malaysian Anti-Corruption Commission (MACC) investigating officer Rosli Husain appears at the Kuala Lumpur Court Complex.

Nazlan then ordered for both parties to file their written submissions by Sept 24 and fixed Oct 15 for parties to exchange their submissions and Oct 22 and Oct 23 to hear oral submissions.

He also fixed 10 days for trial at the defence stage on Dec 3 and 4, from Dec 9 to 12 and from Dec 16 to 19, should Najib's defence be called.

Earlier, Rosli had testified that the MACC had planned to charge several others besides Najib over the misappropriation of the 1Malaysia Development Bhd (1MDB) subsidiary's funds.

He revealed this during cross-examination by Shafee.

Asked whether the personalities the commission recommended to be charged were former SRC International chief executive Nik Faisal Ariff Kamil, former SRC International non-executive director Datuk Suboh Md Yassin, Ihsan Perdana Sdn Bhd (IPSB) managing director Datuk Dr Shamsul Anwar Sulaiman and IPSB finance director Datuk Abdul Aziz Ismail, Rosli answered in the affirmative.

Rosli, who was the 57th witness, told the court that the recommendation to charge the people who were witnesses in his investigations was made around 2016.

He also confirmed that there was a draft charge sheet against Najib that was made before the latter's statement was taken.

"The charge sheet was drafted for our own (commission) use. It was based on the statement we obtained from witnesses," he said.

However, he disagreed with Shafee's suggestion that the charge sheet which had been drafted was done with malicious intent.



Tan Sri Muhammad Shafee Abdullah speaks to the media at the Kuala Lumpur Court Complex

On another matter, Rosli testified that late DPP Datuk Anthony Kevin Morais, who was murdered in 2015, was not involved in the investigations into the misappropriation of SRC International funds.

He also testified that he did not know whether the late DPP was involved in the investigations into 1MDB funds.

Even though the line of questioning was objected to by Sithambaram, Shafee said it was important to ask the question as his client's name was linked to the murder case.

"It is not a joke because those affected take it very seriously," he said.

Asked about the investigation papers, Rosli agreed with Shafee that the papers had gone to and fro between the MACC and the Attorney-General's Chambers (AGC) from 2015 and throughout 2016.

Rosli said he had sent the papers personally to former AG Tan Sri Mohamed Apandi Ali at the latter's office without going through any DPPs as it was a "special case".

During re-examination by DPP Datuk Suhaimi Ibrahim, Rosli said he did not send the signatures of Nik Faisal and Suboh, which were said to be too similar, to handwriting experts because there had not been any complaints on allegations that the signatures were forged during his investigations.

Najib, 66, is facing seven charges of criminal breach of trust, abuse of power and money-laundering involving RM42 million of SRC International funds.



Deputy public prosecutor Datuk V. Sithambaram addresses the media following the trial.

The Pekan member of parliament is charged with committing the offences between Aug 17, 2011, and Feb 10, 2015.

He faces up to 20 years' jail and fine for the offences if convicted.

After various stalled attempts, the high-profile trial which was initially fixed to kick-off in February finally commenced on April 3.

The trial began with the first witness, assistant registrar from the Companies Commission Malaysia (CCM) Muhamad Akmaludin Abdullah, taking the stand and concluded yesterday with Rosli who is also a key witness and longest-held witness in the trial.

The prosecution team led by Thomas comprises top lawyer Sithambaram, who is co-chairman of the Malaysian Bar Criminal Law Committee, and DPPs Ishak Mohd Yusoff, Datuk Suhaimi Ibrahim, Donald Joseph Franklin, Muhammad Saifuddin Hashim Musaimi, Budiman Lutfi Mohamed, Sulaiman Kho Kheng Fuei, Mohd Ashrof Adrin Kamarul and Muhammad Izzat Fauzan.

Najib's defence team led by Shafee also comprises lawyers Harvinderjit Singh, Farhan Read, Muhammad Farhan Muhammad Shafee, Syahirah Hanapih and Wan Aizuddin Mohammed.

The trial, as expected, was widely followed and commanded coverage from various media organisations. In fact, throughout the trial, court officials had to issue passes for reporters to enter not just the courtroom, but also a video-link room showing a live feed of the proceedings.

14. Najib's 1MDB trial starts today

KUALA LUMPUR: The highly-anticipated 1Malaysia Development Berhad (1MDB) trial involving Datuk Seri Najib Razak will start today with the prosecution scheduled to call six witnesses.

The trial will be heard before High Court Judge Collin Lawrence Sequerah at 9.30am.

Deputy public prosecutor Ahmad Akram Gharib when asked on the trial today said the prosecution would begin its case with former Federal Court Judge Datuk Seri Gopal Sri Ram, who was appointed as senior deputy public prosecutor in the case, to read an opening statement followed by calling its first witness.

He said the witnesses to be called today are an administrative officer from Malaysian Members of Parliament Affairs Division and officers from the Prime Minister's Office.

Ahmad Akram said he would be handling three witnesses while another DPP would handle the rest.

The former prime minister is facing four charges of having used his positions to obtain gratification totalling RM2.3 billion in 1MDB funds and 21 counts of money laundering involving the same money.

On the four corruption charges, Najib, 66, is alleged to have committed the offences at the Jalan Raja Chulan branch of AmIslamic Bank Berhad, at No. 55, Jalan Raja Chulan, Bukit Ceylon here between Feb 24, 2011 and Dec 19, 2014 and he was charged under Section 23(1) of the Malaysian Anti-Corruption Commission (MACC) Act and under Section 24 (1) of the same Act.

He faces an imprisonment of up to 20 years and a fine of up to five times the sum or value of the gratification or RM10,000, whichever is higher, if found guilty.

For the 21 money laundering charges, Najib is alleged to have committed the offences at the same bank between March 22, 2013 and Aug 30, 2013.

All the charges were made according to Section 4(1)(a) of the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (AMLATFA), which provides for a maximum fine of RM5 million and jail term of five years, or both, upon conviction.

Previously, Justice Sequerah had set Aug 19 to 29, the month of September and October except for Fridays, and the first two weeks of November for Najib's 1MDB

trial.

15. 1MDB trial: Jho Low was Najib's alter ego - Gopal Sri Ram



The prosecution in the 1Malaysia Development Bhd (1MDB) trial which kicked-off today will attempt to prove to the High Court that Datuk Seri Najib Razak and businessman Low Taek Jho or Jho Low took steps to cover his tracks after the 1MDB scandal broke in early July 2015.

KUALA LUMPUR: The prosecution in the 1Malaysia Development Bhd (1MDB) trial which kicked-off today will attempt to prove to the High Court that Datuk Seri Najib Razak and businessman Low Taek Jho or Jho Low took steps to cover his tracks after the 1MDB scandal broke in early July 2015.

Senior DPP Datuk Seri Gopal Sri Ram, a former federal court judge, in his opening statement in the former Prime Minister's 1MDB trial alleged sham documents were produced to pretend there was a donation from an Arab Prince.

"Among these were letters and four cheques, each for a sum of USD25 million purportedly written out by a person said to be the Arab donor. But these cheques were never meant to be encashed and were never encashed.

"The prosecution will also produce evidence to show that the accused took active steps to evade justice. He interfered with the course of investigation of this case which has come to be known as the 1MDB Scandal.

"He took active steps to effect a cover up of his criminal acts. The prosecution will rely on all this evidence to show that the accused had the requisite mens rea when the offences with which he is charged were committed," he told High Court Judge Collin Lawrence Sequerah.

Explaining the case, he said the monies in the case was from a company called 1Malaysia Development Bhd, widely known as 1MDB which was originally called Terengganu Investment Authority or TIA.

He said the accused was instrumental in changing its name to 1MDB and also caused amendments to be made to the articles of the company to place himself in sole control of important matters concerning the business and affairs of the company.

"In short, he was its plenipotentiary. Additionally, he was the chairman of the company's board of advisers.



Senior DPP Datuk Seri Gopal Sri Ram, a former federal court judge, in his opening statement said former prime minister Datuk Seri Najib Razak's 1MDB trial alleged sham documents were produced to pretend there was a donation from an Arab Prince.

"He used that position and that of prime minister and minister of finance to do certain acts and to exert influence over the board of 1MDB to carry out certain abnormal transactions with undue haste. The ultimate aim of the accused was to obtain gratification for himself. He succeeded in achieving that aim," he said.

Sri Ram contended that an elaborate charade was employed and it was acted out in four phases in which several characters played a part.

Sri Ram stressed that it was the accused who played the pivotal role with his objective to enrich himself.

He said although the case was in four phases, the events in respect of them were to be considered as part of a consecutive story because of the pre-arranged plan by the accused to enrich himself.

An important character in the charade is Jho Low, said Sri Ram, who described the former as a fugitive from justice who was involved in TIA and later in 1MDB.

Sri Ram said the prosecution will prove that the accused by his words and conduct made it clear to 1MDB's officers, its board and others that Jho Low was his alter ego.

"In truth, Jho Low was the accused's mirror image. The prosecution will establish facts which will give rise to an irresistible inference that Jho Low and the accused acted as one at all material times," said Sri Ram.

Najib, 66, is facing four charges of having used his positions to obtain gratification totalling RM2.3 billion in 1MDB funds and 21 counts of money laundering involving the same money.

The Pekan MP is alleged to have committed gratification offences at the AmIslamic Bank Berhad, at No.55, Jalan Raja Chulan, Bukit Ceylon here between Feb 24, 2011 and Dec 19, 2014, while for the money laundering charges, Najib is alleged to have committed the offences at the same bank between March 22, 2013 and Aug 30, 2013.

16. Judge: I do not want this case to be delayed



The High Court today told the prosecution to expedite the handing over of documents in the case involving the tampering of 1Malaysia Development Berhad (1MDB) final audit report.

KUALA LUMPUR: The High Court today told the prosecution to expedite the handing over of documents in the case involving the tampering of 1Malaysia Development Berhad (1MDB) final audit report.

Judge Mohamad Zaini Mazlan said this during the case management after the prosecution told the court they were still in the midst of preparing the complete documents.

"I hope the prosecution team can produce all the documents as soon as possible and hand them over to the defence team so that they can have enough time to look at them.

"I do not want this case to be delayed," he said.

Earlier, deputy public prosecutor Rozaliana Zakaria said the prosecution was still in the midst of preparing a list of witnesses and witness statements for the trial.

"Thus, we are requesting a date for further case management," she said.

The court then fixed Oct 7 for case management.

On April 16, the same court had allowed the case against Datuk Seri Najib Razak and former 1MDB chief executive officer Arul Kanda Kandasamy to be heard together.

The trial would be held from Nov 18 to 29, and Jan 13 to 17. About 30 witnesses will be call to testify.

Najib and Arul Kanda were represented by counsel Tan Sri Muhammad Shafee Abdullah and Datuk N. Sivananthan, respectively.

On Dec 12, Arul Kanda was charged at the Sessions Court with committing the offence between Feb 22 and 26, 2016.

He allegedly abetted Najib, 66, in using the latter's position as then prime minister to order the amendment to the report.

The offence was allegedly committed at Kompleks Jabatan Perdana Menteri, Putrajaya.

If convicted under Section 24 of the Malaysian Anti-Corruption Commission (MACC) Act 2009, Arul Kanda faces a maximum 20-year jail term, and a fine not less than five times the graft involved or RM10,000, whichever is higher.

He was released on RM500,000 bail.

On Nov 25, Auditor-General Tan Sri Dr Madinah Mohamad said Najib had instructed for the 1MDB final audit report to be amended by excluding several paragraphs in the report.

Among the information allegedly excluded from the report include the presence of fugitive entrepreneur Low Taek Jho or Jho Low at a 1MDB board meeting.

17. 1MDB trial: Request for court to adjourn earlier due to Najib's back problem rejected



"My client has been sitting on a wooden plank almost every day (since the beginning of another trial in connection with funds allegedly taken from SRC International Sdn Bhd). He needs to do some stretching when the court decides to take a short break, or his back problem is going to get worse said Tan Sri Muhammad Shafee Abdullah.

KUALA LUMPUR: Datuk Seri Najib Razak who has been sitting in the dock almost daily since April requested for his 1Malaysia Development Bhd (1MDB) trial to be adjourned early due to health reasons.

However, High Court Judge Collin Lawrence Sequerah did not budge, stating that he could only consider allowing periodical breaks if needed.

Najib, through his lead counsel Tan Sri Muhammad Shafee Abdullah, requested the court to adjourn at 4.30pm daily after hearings.

Shafee claimed that his client was suffering from a sore back due to sitting too long on wooden plank in the dock.

He raised the issue at the end of proceedings today.

"My client has been sitting on a wooden plank almost every day (since the beginning of another trial in connection with funds allegedly taken from SRC International Sdn Bhd). He needs to do some stretching when the court decides to take a short break, or his back problem is going to get worse.

"I raised the same issue during the SRC International trial before High Court judge Mohd Nazlan Mohd Ghazali," he said.

Sequerah, however, pushed aside Shafee's request before adjourning the hearing at 4.45pm.

Najib, 66, had sat for almost 60 days in the dock when he faced corruption charges relating to SRC International. Proceedings during that trial usually ended at 5pm.

The prosecution rested their case on Tuesday but Najib was back in court again the next day to face the 1MDB charges.

Proceedings on the second day of the trial saw more than 170 documents verified by a witness from the Companies Commission of Malaysia (CCM).

CCM assistant registrar Rafidah Yahaya, 48, spent the entire afternoon verifying documents pertaining to companies involved in the scandal.

Deputy public prosecutor Mohamad Mustafa Kunyalam, during examination-in-chief, had presented bundles of documents.

The documents were in relation to four companies - Powertek Investment Holding Sdn Bhd, Powertek Energy Sdn Bhd, Merpati Energy (Langat) Sdn Bhd, and Mastika Lagenda Sdn Bhd.

Rafidah, the 7th prosecution witness, said she had processed all the applications which were stored in the Company and Business System (CBS).

Proceedings will continue on Tuesday.

Najib is facing four charges of having used his positions to obtain gratification totalling RM2.3 billion in 1MDB funds and 21 counts of money laundering involving the same money.

The former finance minister is alleged to have committed gratification offences at the AmIslamic Bank Berhad, at No.55, Jalan Raja Chulan, Bukit Ceylon here between Feb 24, 2011 and Dec 19, 2014, while for the money laundering charges, Najib is alleged to have committed the offences at the same bank between March 22, 2013 and Aug 30, 2013.