

### New Straits Times May 2020

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**1. Bung Moktar was open to invest in trust fund, court told**



The Sessions Court was told today that former Federal Land Consolidation and Rehabilitation Authority (Felcra) chairman Datuk Seri Bung Moktar Radin was open to suggestion for the organisation's cash investment of RM150 million in unit trust.

KUALA LUMPUR: The Sessions Court was told today that former Federal Land Consolidation and Rehabilitation Authority (Felcra) chairman Datuk Seri Bung Moktar Radin was open to suggestion for the organisation's cash investment of RM150 million in unit trust.

A member of Felcra's board of directors, Dr Habibah Suleiman, 72, said like other members of the board, Bung Moktar did not object to the proposal which was aimed at maximizing returns.

"True, Datuk Seri (Bung Moktar) agreed with the proposal tabled by Kumpulan Kewangan Felcra general Manager Mohd Azmy Abu Samah at a board meeting held on Nov 24, 2014.

"During the meeting, the board members also played an active part in the discussions. Various issues were also discussed which led to the meeting taking longer to end, from 8.30 pm to 3 am," she added.

Dr Habibah, who is the fifth prosecution witness said this during cross-examination by Bung Moktar's lawyer, M. Athimulan, in corruption trial involving the Kinabatangan Member of Parliament and his wife, actress Datin Seri Zizie Ezette A. Samad.

Besides Habibah and Bung Moktar, the Nov 24th meeting at the Intercontinental Hotel, Jalan Ampang, was also attended by a representative from the Ministry of Finance, Datuk Mohd Isa Hussain and other Felcra board members then, namely Datuk Seri Ibrahim Muhammad, Datuk Baharum Mohamed, Datuk Abdul Fattah Abdullah, Datuk Ismail Kasim, Azaman @ Azman Ruslan and Datuk Azailiza Mohd Ahad.

Habibah also confirmed a letter signed by former Finance Minister II Datuk Seri Ahmad Husni Hanadzlah, which approved the proposed investment, worth RM150 million.

"From what I can remember, I was told that RM150 million had been transferred to the Public Bank trust unit during a meeting on June 16, 2015," she added.

Bung Moktar, who was at that time the non-executive chairman of Felcra, was charged with taking a bribe of RM2.2 million from Public Mutual investment agent Madhi Abdul Hamid, 38, through his wife Zizie Ezette.

He was accused of committing the offence as an inducement to obtain approval from the then Finance Minister II for Felcra to invest RM150 million in Public Mutual unit trust products.

The offence was allegedly committed at Taman Melawati branch of Public Bank Berhad at No. 262-265, Jalan Bandar 12, Taman Melawati here between 12.30 pm and 5 pm on June 12, 2015.

Bung Moktar was also charged with corruptly receiving RM262,500 in bribes for himself from the same individual through Public Islamic Treasures Growth Fund (PITGF) account number 044797816 which registered under Zizie Ezette's name for the same purpose.

On another charge, Bung Moktar was accused of corruptly obtaining RM337,500 bribe from Public Mutual investment agent, Norhaili Ahmad Mokhtar, 42, via Public Ittikal Sequel Fund (PITSEQ) account number 044797824 which was registered under Zizie Ezette's name for the same purpose.

Both the offences were allegedly committed at the same location at 12.16 pm and 12.28 pm, respectively, on June 19, 2015.

All the charges were framed under Subsection 17(a) of the MACC Act and can be sentenced under Section 24 (1) of the same law which provides for a jail term not exceeding 20 years and fine not less than five times of the bribe amount or RM10,000 whichever is higher, upon conviction.

Zizie Ezette also pleaded not guilty to three charges of abetting her husband on the same matter at the same place, dates and time.

The charges were made under Section 28(1) (c ) of the MACC Act and she faced an imprisonment for not more than 20 years, and fine of not less than five times of the bribe or RM10,000 whichever is higher if found guilty.

The hearing before judge Rozina Ayob continues tomorrow.

## 2. Don't backtrack on MACC Act: FMM



The Federation of Malaysian

Manufacturers president Tan Sri Soh Thian Lai says there has been calls for the implementation date to be pushed back by a year to June 1, 2021 in view of the Covid-19 pandemic which has affected businesses

KUALA LUMPUR: The Federation of Malaysian Manufacturers (FMM) has urged the government not to backtrack on the implementation of Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 201.

The act, which provides strict corporate liability on commercial organisations for the failure to prevent corruption, is due to come into force on June 1 after the law was passed in Parliament on April 5, 2018 and gazetted on May 5, 2018.

FMM president Tan Sri Soh Thian Lai said there had been calls for the implementation date to be pushed back by a year to June 1, 2021 in view of the Covid-19 pandemic which has affected businesses.

"It is acknowledged that the Covid-19 pandemic might have delayed some of the initiatives that were being undertaken by companies to put in place a robust compliance programme to ensure compliance with the law," he said in a statement today.

However, he said currently it was even more crucial for companies facing challenging conditions not to compromise on corruption.

"This is to ensure that corrupt practices are kept at bay and effectively addressed both at the organisation and throughout the entire supply chain," he added.

FMM recommended the government to consider deferment of the implementation to allow companies especially small and medium enterprises (SMEs) to get all their procedures and systems into order.

It said the deferment should only be for a minimal period, preferably three months, to a maximum of six months from the original date of June 1 with a definite date stated and gazetted immediately to ensure that companies take the new deadline seriously.

FMM said it was imperative for businesses to establish robust integrity systems in their operations to minimise any risk of corruption.

"We continue to emphasise on the need for the government to assist the SMEs in their preparations as there remains concerns on the readiness and capacity of the SMEs in ensuring that adequate internal measures are put in place to prevent any potential acts of corruption.

"SMEs especially still lack the know-how about implementing such measures and there needs to be greater capacity building efforts put in place to assist them," said FMM

### 3. Najib's 1MDB trial to resume on May 18



**After a two-month break, the high-profile trial of former Prime Minister Datuk Seri Najib Razak, who is facing corruption and money laundering charges involving RM2.3 billion of 1Malaysia Development Berhad (1MDB) funds, will resume on May 18.**

KUALA LUMPUR: After a two-month break, the high-profile trial of former Prime Minister Datuk Seri Najib Razak, who is facing corruption and money laundering charges involving RM2.3 billion of 1Malaysia Development Berhad (1MDB) funds, will resume on May 18.

The trial, which has been closely followed by the international news media, had its last proceedings on March 13 before High Court judge Collin Lawrence Sequerah.

The court had previously set March 19-20, 23-27 and 30-31; April 1-30; and May 4-8, 11-22, inclusive of Fridays, for the 1MDB trial.

Other dates fixed were the entire month of June, July, August, September and October, including Fridays.

However, the proceedings were postponed several times due to the implementation of the Movement Control Order (MCO) by the government following the Covid-19 pandemic.

In the latest development, deputy public prosecutor Ahmad Akram Gharib said the trial, which was scheduled for three days beginning next Wednesday (May 13), had been postponed again.

"Yesterday, we received an email from the High Court deputy registrar Farah Azura Mohd Saad notifying (us) that the trial was vacated to May 18," he said via a WhatsApp message.

When the hearing resumes, defence lead counsel Tan Sri Muhammad Shafee Abdullah is expected to continue with the cross-examination of the ninth prosecution witness, former 1MDB chief

executive officer Datuk Shahrol Azral Ibrahim Halmi, who has been on the stand since Sept 23 last year.

Najib, 67, faces four charges of abusing his position to obtain gratification totalling RM2.3 billion in 1MDB funds and 21 counts of money laundering involving the same money.



**4. US announces RM211.9 million settlement in 1MDB scandal**



**WASHINGTON:** US authorities have reached a deal to recover another US\$49 million (RM211.9 million) in assets bought with money looted from 1Malaysia Development Berhad (1MDB) state investment fund and laundered through the global financial system.

Billions of dollars were plundered from the sovereign wealth fund and spent on everything from a luxury yacht to artwork in a fraud allegedly involving former Malaysian premier Datuk Seri Najib Razak and his inner circle.

Najib was ejected in 2018 elections largely due to public anger over the scandal and is now facing trial over his involvement in the theft.

The US Justice Department says it has now returned or helped Malaysia recover nearly US\$1.1 billion in funds and assets.

The latest tranche comes from the settlement of a civil case against Khadem al-Qubaisi, an Emirati businessman accused of helping siphon 1MDB funds out of Malaysia.

"Instead of benefitting the people of Malaysia, as intended, these funds were used by the co-conspirators to finance lavish acquisitions of personal property, luxury real estate and business investments in the United States and elsewhere," said Assistant Attorney General Brian Benczkowski in a Monday statement.

More than US\$4.5 billion originally meant to fund state investments was looted from 1MDB between 2009 and 2015 by high-level officials of the fund and a high-flying young businessman named Low Taek Jho, or Jho Low, according to US investigators.

Low used much the money to buy luxurious homes and top-level art and invest in Hollywood movies, including the Martin Scorsese hit "Wolf of Wall Street."

The Justice Department seized most of Low's assets and has been slowly liquidating them for return to Malaysia.

**5. June 4 decision on 1MDB-linked forfeiture suit against Jakel Trading**



The High Court will deliver its verdict on the government's application to forfeit RM628,314 allegedly linked to the 1MDB that was seized from Jakel Trading on June 4

KUALA LUMPUR: The High Court will deliver its verdict on the government's application to forfeit RM628,314 allegedly linked to the 1Malaysia Development Berhad (1MDB) that was seized from Jakel Trading on June 4.

The decision was supposed to be handed down by Judicial Commissioner Datuk Ahmad Shahrir Mohd Salleh on April 28 but has been rescheduled to June 4 due to the extension of the Conditional Movement Control Order (CMCO).

The matter was informed by Jakel Trading's lawyer Thevini Nayagam when contacted today.

In June last year, the Malaysian Anti-Corruption Commission (MACC) filed a civil forfeiture suit against 41 entities, comprising individuals, companies and political parties, under the Anti-Money Laundering and Anti-Terrorism Financing Act to recover about RM270 million believed to be linked to 1MDB.

MACC believed the money was illegally transferred from the accounts of former prime minister Datuk Seri Najib Razak.

**6. Govt set to recoup USD107.3mil worth of assets in Riza Aziz's case**



The federal government is expected to recover overseas assets worth an estimated USD107.3 million (RM465.3 million) in the money laundering case faced by Riza Shahriz Abdul Aziz, the stepson of former prime minister Datuk Seri Najib Razak.

KUALA LUMPUR: The federal government is expected to recover overseas assets worth an estimated USD107.3 million (RM465.3 million) in the money laundering case faced by Riza Shahriz Abdul Aziz, the stepson of former prime minister Datuk Seri Najib Razak.

The Malaysian Anti-Corruption Commission (MACC) said in a statement today that the prosecution had applied to the court for Riza to be given a discharge not amounting to an acquittal over several charges made on July 5, 2019 at the Sessions Court here.

The MACC said it was a conditional discharge, whereby the prosecution had the right to reinstate the charges if the agreement was not satisfactorily completed.

"As a result, the Malaysian government is expected to recover overseas assets involved in the offence, which is estimated at USD107.3 million (RM465.3 million).

"Under the agreement, the accused is required to pay a compound to the government under Section 92 of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, which is punitive as an alternative to the charges that have been brought against him."

The MACC said the agreement between the prosecution and the accused, through representation in court, was a decision considered and agreed by former attorney general Tan Sri Tommy Thomas.

Riza, who had been charged with money laundering involving USD248 million (RM1.25 billion) linked to 1Malaysia Development Bhd (1MDB), was granted a discharge not amounting to an acquittal by the Sessions Court earlier today.

Former Federal Court judge Datuk Seri Gopal Sri Ram, who was appointed as the lead Deputy Public Prosecutor to handle the case, said an agreement had been reached between the prosecution and the accused under the terms of which the Federal Government would receive a substantial sum involving several million ringgit.

"As a result of the agreement, the charges against Riza will not be proceeded for now, pending the completion of the agreement. Sri Ram said if (the prosecution) was satisfied with the completion of the agreement, appropriate steps would be taken to ensure the accused was fully discharged.

"Otherwise, the prosecution has the right to reinstate the charges in accordance with the law," he said.

On July 5 2019, Riza, 43, who is the founder of Red Granite Pictures, pleaded not guilty to five charges of money laundering.

**7. Eight nabbed for submitting false claims**



The Kedah Malaysian Anti-Corruption Commission (MACC) has arrested eight individuals, including a Filipino and two company executives in Kulim, to assist in the investigation of a false claim of about RM180,000

ALOR SETAR: The Kedah Malaysian Anti-Corruption Commission (MACC) has arrested eight individuals, including a Filipino and two company executives in Kulim, to assist in the investigation of a false claim of about RM180,000.

Kedah MACC director Datuk Shaharon Nizam Abd Manap said all the suspects, aged 39 to 45 years, were five engineering staff of a factory including a Filipino and three employees of a supply company (two managers).

He said they were detained at the Kulim High Technology Park and at the state MACC office here between 10.30am and 10pm on Wednesday.

He said the suspects were believed to have made false claims regarding the supply of over RM180,000 worth of machine parts between August and October 2019.

"However, it was found that there were no spare parts supplied by the supplier to the factory," he said.

The Alor Setar Magistrate Court's assistant registrar Rashidah Azmi issued a seven-day remand starting today against the suspects and the case is being investigated under Section 18 of the MACC Act 2009.

**8. Bung Moktar told Felcra investment recommended by Finance Minister**



**Datuk Seri Bung Moktar Radin and wife Datin Seri Zizie Ezette A. Samad.**

KUALA LUMPUR: A witness told the Sessions Court here today that the RM150 million investment by the Federal Land Consolidation and Rehabilitation Authority (Felcra) in Public Mutual's unit trust in 2015 was recommended by the then Finance Minister.

A member of Felcra's board of directors, Dr Habibah Suleiman, 72, said it was Datuk Seri Bung Moktar Radin, who was then the agency's non-executive chairman, who informed the board that the investment was recommended by the Finance Minister.

She said Bung Moktar informed them of the matter during the Felcra board of directors meeting Series 157 in June 2015.

"I did not know that the amount of investment requested was RM150 million, as the amount that was approved at the board meeting was only RM50 million.

"The board did ask Datuk Seri Bung Moktar about the difference in the amount that was invested in the Public Mutual Trust Unit and he said he had met with the (then) Finance Minister and had brought Felcra's application for approval," she added.

Dr. Habibah, who is the fifth prosecution witness, said this during cross-examination by Bung Moktar's lawyer, M. Athimulan, in a corruption trial involving the Kinabatangan Member of Parliament and his wife, actress Datin Seri Zizie Ezette A. Samad

She said it was Bung Moktar who told the board that it was the Finance Minister who recommended the RM150 million investment.



Questioned by Athimulan on those present during the board meeting in June 2015, Habibah said they included Datuk Mohd Isa Hussain, from the Finance Ministry; and Felcra chief executive officer Datuk Ramlee Abu Bakar.

Athimulan: I put it to you that all board members, including you (Habibah) had knowledge on the change in the amount of investment from RM50 million to RM150 million before the 157th board meeting?

Habibah: I did not know about it before the June meeting.

On the amount of commission that Public Mutual investment agent Norhaili Ahmad Mokhtar, 42, would receive with Felcra's investment, Habibah said she did not ask Norhaili about it.

Bung Mokhtar, who was at that time the non-executive chairman of Felcra, was charged with taking a bribe of RM2.2 million from Public Mutual investment agent Madhi Abdul Hamid, 38, through his wife Zizie Ezette.

He was accused of committing the offence as an inducement to obtain approval from the then Finance Minister II for Felcra to invest RM150 million in Public Mutual unit trust products.

The offence was allegedly committed at Taman Melawati branch of Public Bank Berhad at No. 262-265, Jalan Bandar 12, Taman Melawati here between 12.30pm and 5pm on June 12, 2015.

Bung Mokhtar was also charged with corruptly receiving RM262,500 in bribes for himself from the same individual through Public Islamic Treasures Growth Fund (PITGF) account number 044797816 which is registered under Zizie Ezette's name for the same purpose.

On another charge, Bung Mokhtar was accused of corruptly obtaining a RM337,500 bribe from Public Mutual investment agent, Norhaili Ahmad Mokhtar, 42, via Public Ittikal Sequel Fund (PITSEQ) account number 044797824 which was registered under Zizie Ezette's name for the same purpose.

Both the offences were allegedly committed at the same location at 12.16pm and 12.28pm, respectively, on June 19, 2015.

All the charges were framed under Subsection 17(a) of the MACC Act and can be sentenced under Section 24 (1) of the same law which provides for a jail term not exceeding 20 years, and fine of not less than five times the bribe amount, or RM10,000 whichever is higher, upon conviction.

Zizie Ezette also pleaded not guilty to three charges of abetting her husband on the same matter at the same place, dates and time.

The charges were made under Section 28(1) (c) of the MACC Act and she faces imprisonment of not more than 20 years, and a fine of not less than five times the bribe, or RM10,000 whichever is higher if found guilty.



**9. Ex-A-G Thomas lambasts MACC for 'lying' about his involvement in Riza Aziz case**



**Former Attorney-General (AG) Tan Sri Tommy Thomas (left) provided a rundown from when Riza Aziz (right) was first charged by the Attorney-General's Chambers (AGC) on July 5, 2019 to his discharge not amounting to an acquittal (DNAA) on Thursday**

KUALA LUMPUR: Former Attorney-General (AG) Tan Sri Tommy Thomas has again taken to task the Malaysian Anti-Corruption Commission (MACC) for allegedly 'continuing to lie' about his involvement in Riza Aziz's controversial case settlement.

In a statement to the press today, Thomas said that the final paragraph of the agency's press statement, which said that the settlement was a decision "considered and agreed to" by him was "clearly false".

He also provided a rundown from when Riza was first charged by the Attorney-General's Chambers (AGC) on July 5, 2019 to his discharge not amounting to an acquittal (DNAA) on Thursday.

"In these circumstances, the MACC had actual knowledge that the final paragraph of the press statement that "the agreement between the prosecution and the accused through representation in court was a decision considered and agreed by the former Attorney General, Tan Sri Tommy Thomas" is clearly false," he said, while citing the offending paragraph of the statement.

Thomas was also miffed that after he corrected the statement on May 14 itself, the agency responded by saying it stood by the statement.

"This is absolutely shocking, because the MACC was continuing with the lie, even after the truth had been pointed out to them."

"It defies credibility that if their fiction has any factual foundation, it would mean that I took the decision to drop the prosecution against Riza on or before Feb 28, 2020, but my decision was only implemented in Court two and a half months thereafter, and not at the earliest opportunity, which was March 12, 2020," he added.

His account stipulated that Riza, the stepson of former prime minister Datuk Seri Najib Razak, was first charged on his instruction as AG on July 5, 2019.

Thomas said the only other relevant decision that he had made was to appoint Datuk Seri Gopal Sri Ram to lead the prosecution.

He said that he left the day-to-day handling of the cases to Gopal and the deputy public prosecutor (DPP) from the AGC.

On Nov 18, 2019, Riza's lawyers submitted written representations seeking a review of the criminal charges proffered against him.

He said this was normal procedure and that there was nothing sinister about it.

He however stressed that he did not agree to their request for a discharge and passed the letter to Gopal to study and recommend a response to him.

"On Feb 28, 2020, I resigned as Attorney General. Until my resignation, I had not received any advice from (Gopal) Sri Ram. Thus, I did not decide on the representations of Riza prior to my resignation.

"At a case management before Sessions Court judge, Tuan Azman Ahmad, on March 12, 2020, the DPP applied for a new date of the case, to allow the AGC to make a decision on the representation submitted by Riza.

"The DPP's request was to allow the newly appointed Attorney General time to review the representation, according to media reports. Apparently, the case was postponed to April 2," said Thomas.

He said at the case management on May 14, the Sessions Court had granted Riza a DNAA in relation to his criminal charges on the application made by ad hoc prosecutor Gopal.

Thomas also pointed out that no decision was made by the prosecution on the case as late as April 2. The decision was made more than a month after he resigned from his post, noting that it must have been made between April 2 and May 14 when he no longer held the position of AG.

**10. Shafee takes dig at Thomas' decision to drop charges against Guan Eng**



Najib's lead counsel in the 1MDB case, Tan Sri Muhammad Shafee Abdullah, today launched a blistering attack on critics of the prosecution's decision to grant a discharge not amounting to an acquittal for Riza Aziz

KUALA LUMPUR: The controversy surrounding the prosecution's decision to seal a sweetheart deal with Datuk Seri Najib Razak's stepson over monies taken from 1Malaysia Development Bhd (1MDB) has inadvertently dragged former Attorney-General Tan Sri Tommy Thomas and former Penang Chief Minister Lim Guan Eng's names under the spotlight.

Najib's lead counsel in the 1MDB case, Tan Sri Muhammad Shafee Abdullah, today launched a blistering attack on critics of the prosecution's decision to grant a discharge not amounting to an acquittal for Riza Aziz. He said the same people should also question Thomas for withdrawing corruption charges against Lim, who was Finance Minister after Pakatan Harapan (PH) took over the federal government.

Lim was by then ordered to enter his defence against charges involving the conversion of land status and purchase of a bungalow below market price. However, the charges against him were suddenly dropped in Sept 2018 and Penang High Court judge Hadhariah Syed Ismail subsequently granted him a discharge and acquittal.

Shafee broached the controversy surrounding Lim's acquittal when asked if he would also be making representation to the Attorney-General's Chambers (AGC) regarding Najib's 1MDB case now that Riza's matter has also been settled through representations to the AGC.

"I can tell you Najib will never do what happened in Lim's case.

"In Lim's case, the defence was called but TT (referring to Tommy Thomas as the former AG is popularly known) withdrew the charge.

"Until today, Lim Guan Eng's name is stinking like crazy... the public is questioning how did he get acquitted (charges dropped) when the defence was called."

Shafee said Najib has made it clear that he wants to see his case till the end through the court process.

The senior lawyer said many deputy public prosecutors (DPPs) are also not happy with Thomas' decision to withdraw charges against Lim. He questioned why senior members of the bar and those in politics did not question why Lim was let off - but a lot of noise is being made after the prosecution agreed to a deal with Riza.

Asked if Lim's case could be revisited, Shafee said the AGC could do it if there was evidence that charges against the DAP leader were dropped "not in good faith."

On Riza's case, Shafee said he knew for a fact that Thomas had agreed to representations which were made by the former's lawyers and had left it to deputy public prosecutor Datuk Seri Gopal Sri Ram to work out the details of the settlement.

"There are many reasons why Riza's deal came through. It was going to be a very difficult prosecution but I don't want to say more.

"It is a tough case... it involves documents and properties overseas," he said, adding that Riza too wanted to put an end to the whole episode and get on with his life.

Shafee said there was no reason to question the settlement as it was a "fair deal" which was recognised not only by Thomas before this, but also by former Malaysian Anti-Corruption Commission (MACC) chief Latheefa Koya.

Asked on the perception that it was far from a "fair deal", Shafee said: "It's very easy... he is returning everything in his hands... compare this to Lim Guan Eng's case."

It was reported that Riza was recently given a discharge not amounting to an acquittal by the Sessions Court over five counts of money laundering amounting US\$248 million.

However, the term of the settlement was that he would have to return millions of ringgit to the government. The decision has since sparked a war of words involving Thomas, the MACC and also the current A-G, Tan Sri Idrus Harun.

**11. Govt recovers RM600,000 from Najib's stepson**



**The government has managed to recover over RM600,000 from Datuk Seri Najib Razak's stepson Riza Shahriz Abdul Aziz**

KUALA LUMPUR: The government has managed to recover over RM600,000 from Datuk Seri Najib Razak's stepson Riza Shahriz Abdul Aziz.

This after High Court judge Mohd Zaini Mazlan allowed the Malaysian Anti-Corruption Commission (MACC) application to forfeit the monies which was linked to the 1Malaysia Development Berhad (1MDB) from the Hollywood producer.

Deputy public prosecutor Faten Hadi Khairuddin during the proceedings told the court that Riza has agreed for the government to forfeit RM537,000, £2,700 and 2.87 million Sri Lanka rupees that were seized on May 17, 2018.

"This is after Riza was given a discharge not amounting to an acquittal (DNAA) deal at a different court recently," she said.

Counsel Syahirah Hanipah who represented Najib and his wife Datin Seri Rosmah Mansor said her clients had no objections to the forfeiture.

On May 14, Sessions Court judge Azman Ahmad granted the DNAA to Riza after an agreement was reached between the latter and the prosecution.

The statement (on the agreement) was read out in open court by deputy public prosecutor Datuk Seri Gopal Sri Ram.

In the statement, Sri Ram said the accused had made several representations and after the representations were considered carefully, several decisions had been reached.

Under the terms agreed by both parties, he said the Federal government will receive a substantial sum amounting to millions of ringgit.

On July 5, last year, the Hollywood producer pleaded not guilty to five counts of involvement in money laundering activities involving US\$248 million (RM1.25 billion), which were misappropriated from sovereign wealth fund 1Malaysia Development Bhd (1MDB).

According to the charges, Riza, popularly known as Riza Aziz, allegedly received proceeds from unlawful activities that originated from 1MDB amounting to US\$248,173,104, which was transferred into two of Red Granite Productions Inc's accounts via wire transfer.

Two transactions of US\$1,173,104 and US\$9,000,000 were made from an account belonging to Good Star Ltd at RBS Coutts Bank, Zurich, Switzerland.

The other three transactions of US\$133,000,000, US\$60,000,000 and US\$45,000,000 came from an account belonging to Aabar Investments PJS Limited at BSI SA Lugano, Switzerland.

The offences were allegedly committed at the City National Bank, Los Angeles Main, 525 South Flower Street, Los Angeles, California, the United States, and at BSI Bank Ltd, 7 Temasek Boulevard, #32-01 Suntec Tower One, Singapore, between April 12, 2011 and Nov 14, 2012.

The charges were framed under Section 41(1)(a) of the Anti-Money Laundering and Anti-Terrorism Financing Act 2001, which carries a fine not exceeding RM5 million or imprisonment not exceeding five years, or both.

## 12. Rosmah's corruption trial to resume in July



### Datin Seri Rosmah Mansor's corruption trial will resume in July

KUALA LUMPUR: Datin Seri Rosmah Mansor's corruption trial involving a RM1.25 billion project to install solar energy system in 369 schools in Sarawak is set to resume in July.

High Court judge Mohamed Zaini Mazlan has fixed 30 days - July 13 to 16; Aug 3 to 6; Sept 7 to 10; Sept 14 to 17; Oct 5 to 8; Nov 2 to 5; and Nov 16 to 19 after it was halted due to the extension of the Movement Control Order (MCO).

Deputy public prosecutor Poh Yih Tinn during case management today said the prosecution is expected to call nine more witnesses before they can wrap up their case.

"We also will submit another three witness statements at the end of this month," she said.

Rosmah's lawyer, Datuk Akberdin Abdul Kader did not object to the latest development.

The defence will continue to cross-examine the 12th prosecution witness, former Education Ministry (MOE) secretary-general Datuk Seri Alias Ahmad when the trial resumes.

Rosmah, 68, who is the wife of Datuk Seri Najib Razak, is facing a charge of soliciting RM187.5 million, and two charges of receiving bribe of RM6.5 million from Jepak Holdings Sdn Bhd managing director Saidi Abang Samsudin through her then aide Datuk Rizal Mansor as gratification for helping the company secure the RM1.25 billion project.

She allegedly committed the offences at three places, namely Lygon Cafe in Sunway Putra Mall on Jalan Putra here; her house on Jalan Langgak Duta, Taman Duta here, and at the Seri Perdana, Persiaran Seri Perdana, Precinct 10, Putrajaya between January 2016 and Sept 7, 2017.

Rosmah also faces 12 charges of money laundering involving RM7,097,750 and five charges of failing to declare her income to the Inland Revenue Board.



**13. Najib, Arul Kanda's audit tampering trial to resume next month**



**Datuk Seri Najib Razak and 1Malaysia Development Berhad chief executive officer Arul Kanda Kandasamy (left).**

KUALA LUMPUR: The trial involving Datuk Seri Najib Razak and 1Malaysia Development Berhad chief executive officer Arul Kanda Kandasamy, who were jointly-charged with tampering the auditor-general's (A-G) final 1MDB audit report will resume next month.

High Court judge Mohamed Zaini Mazlan has fixed 15 days - June 15 to 18; July 27 to 30; Aug 10 to 13 and Aug 24 to 26 for the trial.

Deputy public prosecutor Rozalina Zakaria during case management today said they have another 20 witnesses to testify in the case.

Zaini then reminded the prosecution to submit their witness statements a week before the hearing.

Counsels Syahirah Hanapiah and Datuk N. Sivananthan appeared for Najib and Arul, respectively.

So far, seven prosecution witnesses have testified, including former chief secretary to the government Tan Sri Ali Hamsa and former auditor-general Tan Sri Ambrin Buang.

On Dec 12 last year, Arul Kanda, 43, 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.

On the same day, Najib was charged with using his position to order amendments to the 1MDB final audit report before it was tabled to the Public Accounts Committee (PAC) to avoid any action being taken against him.

Najib was charged, in his capacity as a public officer, which was the prime minister, with using the position to obtain gratification for himself to evade disciplinary, civil or criminal action against him in connection with 1MDB, by ordering alterations to the 1MDB final audit report before it was finalised and tabled to the PAC, which he directly had interest in.

**14. Project PITA was real pain in the rear for 1MDB management**



**Datuk Seri Najib Razak at the Kuala Lumpur Court Complex ahead of the trial.**

KUALA LUMPUR: Former chief executive of 1Malaysia Development Bhd (1MDB) today gave an insight into what the management actually thought of plans to repatriate cash and other assets from its joint venture partner PetroSaudi International Ltd (PSI) which failed to deliver on promises of huge returns from investments by the sovereign wealth fund.

Datuk Shahrol Azral Ibrahim Halmi said the plan was cynically referred to as Project PITA by everyone in 1MDB at that time.

Tan Sri Muhammd Shafee Abdullah, who is the lead counsel in the 1MDB trial involving former prime minister Datuk Seri Najib Razak, then asked Shahrol to explain what PITA stood for.

"PITA...it stands for 'Pain In The Ass'. It was a joke among the 1MDB management," he said while looking straight at Shafee, who had to ask Shahrol to repeat his answer just to make sure he had heard the prosecution witness correctly.

After Shahrol repeated his answer, a bewildered Shafee turned to look at his client who was seated in the dock.

Najib too did not seem to know how to react after hearing about Project PITA, which was revealed for the first time since the 1MDB trial started.

Shahrol said no board paper was ever presented on the project to repatriate money and other assets from PetroSaudi back to Malaysia.

He said that as far as he knew nothing ever came back until the day he left 1MDB.

Earlier, Shahrol also admitted that he had never checked or verified various claims made by PetroSaudi, including its ownership or existence of two drill ships called Discoverer and Saturn which were to be used in an oil and gas venture which 1MDB had entered into off the coast of Venezuela.



#### **Tan Sri Shafee Abdullah arrives at the Kuala Lumpur Court Complex**

Shafee tore into Shahrol after hearing the latter's answer by saying: "So you just took their word for it...they said 'take this deal, there are two of our ships floating around there.' You did not check anything...they kept throwing bread crumbs at you and you kept going back again and again," the senior counsel said, prompting Shahrol to reply that he believed the deal to be genuine as that was what was represented to him by fugitive financier Low Taek Jho @ Jho Low and several others appointed in 1MDB by the wanted businessman.

Later, Shafee and the entire courtroom were again left dumbfounded when Shahrol - who used to earn in excess of RM100,000 as the top executive of the fund, said he believed Jho Low was close to Najib based on several experiences he had with the Penang-born entrepreneur.

He related a nasi goreng (fried rice) incident which cemented his belief that Jho Low was really close to Najib.

"I have to tell you this story...I am very good at making nasi goreng. One day Jho Low asked me to pack some of my nasi goreng as he wanted to pass it to Najib. I was impressed that this man was so close to the prime minister that he could go and hand deliver my nasi goreng to Najib," he said.

Shafee, who burst out laughing upon listening to Shahrol's reply, immediately tore into the witness again.

Shafee: Did Datuk Seri Najib ever get back to you to say: Hey Shahrol, that nasi goreng was very good.

Shahrol: No.

Shafee: I am telling you, just going by Jho Low's physique he may have eaten the entire nasi goreng himself and conveniently said it was being packed for Najib.

Shahrol did not respond to the sarcasm.

The trial before High Court judge Collin Lawrence Sequerah will resume on June 4.

Najib, 67, is facing four charges of abusing his position to obtain gratification totalling RM2.3 billion in 1MDB funds, as well as 21 counts of money laundering involving the same money.

**15. 1MDB: Swiss banker goes on trial over RM3 billion Jho Low transfer**



The compliance officer, who can only be identified as A., was an employee of Coutts & Co, where Low, the fugitive financier commonly known as Jho Low, had an account.

A decade after billions of dollars were wired to Swiss banks, the country is holding its first trial into whether a local banker failed to stop a US\$700 million (RM3.054 billion) transfer into an account controlled by Low Taek Jho, the alleged mastermind behind the 1Malaysia Development Berhad (1MDB) scandal.

The compliance officer, who can only be identified as A., was an employee of Coutts & Co, where Low, the fugitive financier commonly known as Jho Low, had an account. A., 52, was the designated money laundering reporting officer for Coutts, according to the indictment.

The 1MDB scandal, which led to the fall of former Prime Minister Datuk Seri Najib Razak, was breathtaking for the audacity with which little-known financier Low built an US\$8 billion fund intended to develop the Malaysian economy. Instead, Low allegedly pilfered the money to fuel a spending spree on parties, sports cars, luxury properties priceless art, and even a film studio that financed the hit film "Wolf of Wall Street."

Low established a Seychelles-registered company Good Star in May 2009 and opened an account at Coutts' Singapore branch less than a month later, prosecutors said in the indictment.

By September of that year, Low was asking to cease all communication with Coutts in Singapore and to receive updates only from Coutts' Swiss unit to a gmail address he had created: [chairman.goodstar@gmail.com](mailto:chairman.goodstar@gmail.com).

That unusual request prompted internal inquiries, prosecutors said. Low's request to transfer US\$700 million from 1MDB to his Good Star account at Coutts raised further eyebrows, prompting Low to fly to Zurich to reassure officials at the lender.

Despite being an unknown Seychelles-registered company with a limited track record, Good Star was an investment firm that 1MDB was choosing to invest with, Low explained. Besides, Low added, he had close relationships with the king and prime minister of Malaysia. The deposit was eventually approved.

Swiss prosecutors pursued A. at least in part because he approved the US\$700 million transfer. In the indictment, they cite an Oct 2, 2009, email in which he wrote "Please unblock the account 11116073 Good Star Ltd. The due diligence is so far good and we have sufficient evidence that the payment is true and valid."

For this and other compliance lapses, the prosecutors write, "the culpability of the accused A. weighs heavily." Monika Roth, A's lawyer, declined to comment.

'Very Uncomfortable'

By 2010, Coutts employees had begun to feel nervous about having Good Star and Low as a client.

"I feel very uncomfortable with this guy and the transactions that are going through the account," a Coutts client adviser in Singapore wrote in an email cited in the indictment. "I think the management has to make a decision whether to keep this relationship."

Coutts & Co. was sold by Royal Bank of Scotland Group Plc in 2016 to Union Bancaire Privée. It was fined US\$6.5 million in 2017 for allowing US\$2.4 billion worth of assets related to the Malaysian development fund to flow through its accounts at a number of Swiss banks.

A spokeswoman for Coutts declined to comment. UBP said in a statement that it's not involved in the case because the acquisition was an asset deal and as a result UBP didn't inherit Coutts' legal issues.

Coutts wasn't the only bank embroiled in the 1MDB scandal that would come under investigation from Swiss prosecutors.

Lugano-based BSI SA was ordered to pay a 95 million Swiss franc (US\$98 million) fine that is now under appeal, while the Singapore unit of Zurich-based Falcon Private Bank was closed by regulators in late 2016 for failing to adequately flag US\$1.27 billion in suspicious deposits linked to the sprawling 1MDB scandal.

It wasn't until 2018, however, that Jho Low was indicted by US prosecutors. He is currently a fugitive, thought to be in China. Malaysia is seeking his arrest after issuing new charges against him in February.

**16. Najib's SRC submissions: Court to hear defence's argument on Monday**



**The defence team representing former prime minister Datuk Seri Najib Razak in SRC International Sdn Bhd case will be making their oral submissions first when the case resumes on Monday**

KUALA LUMPUR: The defence team representing former prime minister Datuk Seri Najib Razak in SRC International Sdn Bhd case will be making their oral submissions first when the case resumes on Monday.

High Court Judge Mohd Nazlan Mohd Ghazali had previously set for three days, from June 1 to 3, to hear the oral submissions by both parties at the end of the defence case.

"Yes, (I will submit first) and ending up with us again," Lawyer Tan Sri Muhammad Shafee Abdullah, who leads the defence team, told Bernama when contacted today.

Appointed prosecutor Datuk V.Sithambaram also told Bernama that he will be making the submissions for the prosecution to rebut the defence's case.

The proceedings on Monday will see the prosecution's reply to the defence's submissions and will end with the defence's reply to the prosecution's argument.

On May 5, deputy public prosecutor Muhammad Izzat Fauzan told Bernama that the defence had submitted a total of 643 pages of written submissions while the prosecution, 306, to the High Court. Both parties have to reply to the submissions.

He also said the prosecution had replied 336 pages of submissions to the defence written submissions while the defence replied with 446 pages.



On March 11, the defence closed its case after calling 19 witnesses during the defence trial that ran for 33 days since Dec 3 last year.

The trial began on April 3 last year with the prosecution calling 57 witnesses to the stand.

On Nov 11 last year, Najib was ordered to enter his defence on seven charges of misappropriating RM42 million in SRC International Sdn Bhd funds, comprising three counts of criminal breach of trust (CBT), three counts of money laundering and one count of abuse of position in relation to the SRC funds.

With regard to the CBT charges, Najib, as a public servant and agent, namely Prime Minister and Finance Minister of Malaysia, and Advisor Emeritus of SRC International Sdn Bhd (SRC), allegedly misappropriated RM27 million and RM5 million respectively of RM4 billion belonging to SRC.

He was charged with committing the two offences at AmIslamic Bank Berhad, Ambank Group Building, No 55, Jalan Raja Chulan here, between Dec 24, 2014, and Dec 29, 2014.

On the third count, Najib allegedly misappropriated another RM10 million of RM4 billion belonging to SRC at the same place between Feb 10, 2015, and March 2, 2015.

The three charges are framed under Section 409 of the Penal Code which provides an imprisonment for up to 20 years, with whipping and liable to fine upon conviction.

On the charge of abusing his position, Najib was alleged to have used his position to commit bribery involving RM42 million through his participation or involvement in the decision to provide government guarantees for loans from the Retirement Fund Incorporated to SRC International amounting to RM4 billion.

He was alleged to have committed the offence at the Prime Minister's Office, Precinct 1, Putrajaya, Federal Territory of Putrajaya, between Aug 17, 2011, and Feb 8, 2012.

The charge, under Section 23 of the Malaysian Anti-Corruption Commission Act 2009 and punishable under Section 24 of the same Act, provides an imprisonment for up to 20 years and a fine of not less than five times the amount or value of the bribe or RM10,000, whichever is higher, upon conviction.

On the three money-laundering charges, Najib is alleged to have received RM27 million, RM5 million and RM10 million, respectively, of proceeds from unlawful activities, via Real-Time Electronic Transfer of Funds and Securities (Rentas) into his two AmIslamic Bank Berhad accounts, bearing the numbers 2112022011880 and 2112022011906.

The offences were allegedly committed at AmIslamic Bank Berhad, AmBank Group Building, No. 55, Jalan Raja Chulan here, between Dec 26, 2014, and Feb 10, 2015.

The charges were framed under Section 4(1)(b) of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act (AMLA TFPUAA) 2001 and if convicted, the ex-premier faces up to 15 years imprisonment and a fine of up to five times the sum or value of the illicit proceeds or RM5 million, whichever is higher, on each count.