

### 1. Johari confident about 1MDB's legal position in arbitration case

PUTRAJAYA: The Finance Ministry is confident the arbitration case filed by International Petroleum Investment Company (IPIC) and Aabar Investments PJS (Aabar) against 1Malaysia Development Bhd (1MDB) will go in 1MDB's favour.

Second Finance Minister Datuk Johari Ghani said after going through 1MDB's documents, he is confident of the company's legal position and will fight the matter out in court.

"As far as I am concerned, I am very confident that we will win. I have looked in detail all the documents supplied by 1MDB," said Johari to reporters, after chairing a Budget 2017 focus group meeting here.

On June 15, IPIC and Aabar submitted a request for arbitration (RFA) to the London Court of International Arbitration, claiming for US\$6.5bil (RM26.2bil) from 1MDB.

IPIC claims that 1MDB and Minister of Finance Inc (MoF Inc) failed to perform their contractual obligations under a binding term sheet (BTS).

In the agreement, 1MDB was to make collateral payments to IPIC's subsidiary Aabar in an exchange for IPIC's guarantee on two 1MDB bonds.

1MDB said it had made the collateral payments to Aabar Investments PJS Ltd (Aabar BVI) and is clearly recorded in its audited financial statements.

IPIC however claims that Aabar BVI, an entity registered in the British Virgin Islands, was not under IPIC and therefore it had not received the payments from 1MDB.

"The dispute is that they (IPIC) do not acknowledge Aabar BVI as their company. But our records show it indeed belongs to them.

"Now suddenly they claim it does not belong to them. Let the arbitration court look at our documents. We need to make sure we fight and win this case," said Johari, adding that the case is set for mention in September.

On 1MDB's announcement that its 2013 and 2014 audited financial statements should no longer be relied on, Johari said it will have no impact on 1MDB.

"Before, there would have been a lot of implications, because 1MDB had a lot exposure with the banks in Malaysia.

"Now, 1MDB does not have any outstanding debts with any of these local banks.

"I have said before there is no more borrowing from 1MDB. There would be no impact on 1MDB as they are not going to use these audited accounts to look for money or borrow money," said Johari.

1MDB had said the move was a precautionary measure, which follows a pending and final determination by a court of law of certain allegations in the civil suits by the DOJ.

On the focus group meeting, Johari said it discussed the rising cost of living, due to higher food prices, transportation fees and housing, among others.

"On housing, we want to help more of those who need a house to live in, not those who buy for investment.

"We need to build more affordable houses and this is where government intervention is important," he said.

He added that the meeting also acknowledged that smartphones and internet should be considered a necessity today, as it also contributes to the cost of living.



Friday, 5 August 2016

## **2. Suit seeks to declassify final audit report on 1MDB**

KUALA LUMPUR: In a test case, a businessman has filed a suit asking the High Court to declassify the final audit report on 1Malaysia Development Bhd (1MDB).

He wants the court to strike out the decision by the Government and two others to classify the final audit report as an official secret under the Official Secrets Act.

He also wants a declaration that the decision to classify the report as an official secret is unconstitutional.

Muhammad Zahid Md Arip, 50, filed his application at the High Court (Appellate and Special Powers) for leave to initiate judicial review proceedings and named Prime Minister Datuk Seri Najib Tun Razak, the Auditor-General and the Government as respondents.

Speaking to reporters here Friday, Muhammad Zahid, who said he is an Umno member and a Perkasa supreme council member, said he filed the suit to end all the "unhealthy speculation" against the Government and Prime Minister arising from the 1MDB issue.

His lead counsel Mohamed Haniff Khatri Abdulla said the judicial review application is to lift the OSA classification on the report.

He said the application is "one of its own".

"Previously, there have been applications for discovery of OSA-related documents for trial purposes," said Mohamed Haniff.

In his application, Muhammad Zahid wants an order to compel the respondents to hand over the final audit report on 1MDB to the relevant parties in accordance with the Federal Constitution.

In his grounds to support the application, he said the decision to classify the report and continuous failure to declassify it contravenes Article 107(1) of the Federal Constitution, which requires the Auditor-General to hand over the report to the Yang di-Pertuan Agong, then table it in the Dewan Rakyat and for it to be made a public document.

He said there is "clear conflict of interest" for the respondents to classify the report as an official secret and they have no jurisdiction to do so.



### 3. **MACC nabs four over housing scam**

KUALA LUMPUR: The Malaysian Anti-Corruption Commission (MACC) has busted a syndicate that allegedly cheated people who were trying to buy non-existent People's Housing Programme (PPR) units in Jinjang Selatan, Kepong, here.

MACC investigations director Datuk Azam Baki said four men aged between 39 and 67 were arrested for alleged involvement in the syndicate.

He said the modus operandi of the syndicate was to offer a PPR housing unit for RM42,000 each while each buyer had to pay an additional RM37,000 bribe or "under-counter" money to a "Kuala Lumpur City Hall (DBKL) insider".

He added that investigations revealed that the housing project did not exist and it is believed that several people had fallen prey to the syndicate.

Azam said that the four suspects were released on bail while the case is being investigated under Section 16(a) of the MACC Act 2009.

#### 4. Lawyer: There is a US conspiracy to cheat 1MDB

PETALING JAYA: An American conspiracy exists to defraud 1Malaysia Development Bhd (1MDB), said Australian lawyer Quintin Rozario

"There is a conspiracy to defraud 1MDB," the Malaysia-born lawyer said at a press conference arranged by the non-governmental organisation Perspek here Monday.

Rozario questioned why US Attorney-General Loretta Lynch attacked certain individuals in her July press conference.

"She could have focused more on the property seizure rather attack certain individuals. Loretta Lynch has acted like a big bully. It's clear bullying by the US on a small sovereign nation like Malaysia," he said.

He added that Lynch only implied that someone is guilty without any evidence or any authoritative decision by a court or tribunal.

Rozario added that Lynch should have put forward to the media the evidence supporting the US civil suits to seize US\$1bil (RM4bil) in assets tied to 1MDB.

"The US has practised double standards by only pushing their homeland initiative against those who they deem soft targets like Malaysia. The US does not recognise initiatives of other nations like China," said Rozario.

## 5. Crackdown on corruption

KUALA LUMPUR: Three high-ranking officials, including two with the titles Datuk and Datuk Seri, have been detained for allegedly accepting bribes, misuse of power and money laundering.

Over RM13mil in their bank accounts have also been frozen.

The trio were detained by the Malaysian Anti-Corruption Commission (MACC) in a simultaneous three-state swoop - in Kuala Lumpur, Malacca and Kelantan - at between noon and 2pm yesterday.

MACC investigations director Datuk Azam Baki said the suspects were senior officers of a government agency, local authority and a government-linked company.

"All were in their 50s. We also froze their bank accounts containing more than RM13mil and stocks worth between RM1mil and RM6mil," he said in a statement.

A few condominium units, including a penthouse and a bungalow were also seized, added Azam.

"We also seized a few luxury cars, including a Maserati, a BMW and an Audi. We believe the vehicles were bought with bribes received.

"We also seized more than RM400,000 cash as well as some foreign currency and a few luxury watches," he said, adding that those arrested were expected to be remanded today to assist in investigations.

It is learnt that the luxury cars seized were kept at the homes of their relatives to avoid suspicion.

Sources revealed that a stash of money was seized from the home of a "Datuk", a state department director.

"The money, believed to be about RM400,000 was hidden in 'secret' places around the house. It was stacked in RM50 and RM100 notes," a source said.

A source said the arrests were made after more than a year of surveillance.

The three suspects were "living well beyond their means" with most of the properties registered under their names.

"This is just the tip of the iceberg. More big fish as well as *ikan bilis* (small fry) are on the cards to be rounded up as the MACC moves to address the scourge before corruption takes root," the source said.

The high profile arrests came barely days after newly-appointed chief commissioner Datuk Dzulkifli Ahmad issued a stern warning to corrupt individuals - "surrender or wait for the MACC to come after you".

In an interview with Bernama on Saturday, Dzulkifli called upon those involved in corrupt practices and abuse of power to step forward or be prepared to face the full brunt of the MACC's enforcement.

"If action has been taken, there is no need to see us. For those who are feeling the heat, they can come.

"We will study and discuss with the Attorney-General's Chambers on what action could be taken (for a lighter sentence) as the question of prosecution is under their purview," he said.

Even though the overture was offered in a calm tone, his firmness was clear when he stressed that the MACC would not discriminate in its effort to flush out corruption.

Dzulkifli, 48, who took over as MACC chief on Aug 1, said his primary focus would be to enhance integrity in the public and private sectors.

He said for the MACC to mean business, the warning would translate into raids of government or private offices if there was evidence of corrupt practices.

"Soon, there will be friendly visits from us," he said, adding that after being on the job for two weeks, it was enough to understand the MACC and it was time to see results.

"I'm a man of few words. I would like to warn those involved to stop immediately. This is not an empty threat," he said.

6. Zaid files suit for return of 1MDB monies



KUALA LUMPUR: Former Cabinet member Datuk Zaid Ibrahim (*pic*) is suing the Prime Minister, 1Malaysia Development Bhd (1MDB) and two others in a representative action for return of monies.

Zaid said he is bringing the civil action on behalf of Malaysian citizens and taxpayers.

In the statement of claim made available to the media Wednesday, Zaid named Datuk Seri Najib Tun Razak, 1MDB, the Government and Najib's stepson Riza Shariz Abdul Aziz as defendants.

He is seeking an order for Najib to pay back RM42mil to the Government over alleged breach of his duty as trustee when the sum was paid into his personal bank account.

Among others, Zaid is seeking an order that Najib pay US\$731mil (RM2.9bil) to 1MDB by way of restitution, claiming that the Prime Minister received the amount belonging to 1MDB in his personal bank account.

He said the Government, as sole shareholder of 1MDB, is entitled to disbursement of the sum in its favour.

Zaid is also applying for an order that Riza pay 1MDB all alleged sums received by him, whether directly or indirectly, from 1MDB monies.

He also wants an order that Riza transfer to 1MDB all property, wheresoever situated, acquired by him or his nominees or agents.

Zaid's lawyer Americk Sidhu confirmed that the suit was filed at the High Court registry Tuesday. Case management before a deputy registrar has been set for Sept 21.



Thursday, 18 August 2016

#### **7. TNB giving full cooperation in MACC probe**

KUALA LUMPUR: Tenaga Nasional Berhad (TNB) is giving its full cooperation to the Malaysian Anti-Corruption Commission (MACC) in its ongoing investigation.

TNB chief integrity development officer Kamal Ariffin Abdullah said as a public-listed government-linked company, TNB adopts best practices in corporate governance and promotes integrity as part of its shared values.

"Hence, TNB does not condone any act of graft or corruption by any member of its workforce.

"We are giving our full support and cooperation to the Malaysian Anti-Corruption Commission (MACC) in its investigation," he said in a statement Thursday.

It was reported that three high-ranking officials, including a Datuk and a Datuk Seri, who were detained for allegedly accepting bribes, misuse of power and money laundering involving RM13mil, have been remanded.

The officials - a senior officer with TNB based in Kelantan, a high-ranking government officer in Malacca and a Kuala Lumpur City Hall senior officer - were remanded for seven days after they were produced in magistrates' courts in Kota Baru, Malacca and Putrajaya Wednesday.

The remand orders were issued to facilitate investigations under Section 17(a) and 23 of the MACC Act.

The offence is punishable under Section 24 of the same Act, which carries a jail term of up to 20 years and a fine of five times the amount of the bribe or RM10,000, whichever is higher, upon conviction.



#### 8. Najib: LRT3 is proof of Govt's diligent planning

SHAH ALAM: The Light Rail Transit 3 (LRT3) project is a manifestation of the diligent and careful planning of the Government Transformation Programme, Datuk Seri Najib Tun Razak said.

Easy mobility was a catalyst in generating the nation's economy, the Prime Minister said.

Najib said an integrated transportation system was much needed given the expected population growth of 10 million in greater Kuala Lumpur and Klang Valley by 2020.

A bigger population meant that the country needed methods to ease traffic congestion, he added.

Speaking at the launch of LRT3 project here yesterday, he said the rail network in the country had proven that the task could indeed be achieved.

Also at the launch yesterday was Selangor Mentri Besar Datuk Seri Azmin Ali.

The 37km rail alignment will provide accessibility to commuters in Klang, Shah Alam and Petaling Jaya.

Construction is scheduled to begin early 2017 and is expected to be completed by Aug 31, 2020 with a capped cost of RM9bil.

In a statement later, Transport Minister Datuk Seri Liow Tiong Lai described the LRT3 project as a new milestone in urban rail transportation.

"As the population within the Western Corridor of Klang Valley grows, the increased capacity and connectivity offered by the LRT3 will encourage modal transfer from private vehicles, reduce congestion and improve quality of life.

"LRT3 will continue to address issues raised in the Urban Rail Development Plan, which is focused on the need for a more efficient transportation network within the suburban areas of Klang Valley," he said.

Liow said other Government initiatives included the capacity increase for the existing Kelana Jaya and Ampang LRT lines, the GO KL free bus services, the Sunway Bus Rapid Transit, the LRT Extension Project and Mass Rapid Transit Line 1.

"We recognise the importance of maximising the benefit of LRT3, that is why the rail was designed to ensure integration with existing and future public transportation services such as the MRT1, LRT, BRT and the KTM.

"These interchanges will reduce the barriers of making a land public transport journey while reducing the overload at the current public transportation network," he said, adding that these public transport projects had increased the modal share of urban public transportation from 10% in 2009 to 20% last year.

"Our target is to increase it to 40% by 2030," he added.



Thursday, 25 August 2016

#### **9. MACC arrests GLC managing director for graft**

PETALING JAYA: A managing director of a government-linked company has been arrested over his alleged involvement in a multi-million-ringgit bribery case.

The "Datuk" was arrested at around 2pm, on Thursday at his Kuala Lumpur office by Malaysian Anti-Corruption Commission (MACC) officers.

According to a source, the "Datuk" is suspected of being involved in tenders related to a bank system and the publishing of a book about a national figure.

"RM15mil was awarded to the publishing company, which was owned by a person linked to the 'Datuk'.

"However, no book has been published so far," said the source.

The MACC has also frozen RM8.1mil in several bank accounts belonging to the suspect and other individuals.

MACC investigations director Datuk Azam Baki confirmed the arrest when contacted.

#### 10. MACC nets another 'big fish'

PETALING JAYA: The Malaysian Anti-Corruption Commission (MACC) has caught another "big fish", the managing director of a government-linked company, over a multi-million-ringgit bribery case.

The director, who is a Datuk, was arrested at about 2pm at his office in Kuala Lumpur yesterday.

According to a source, the case involves project tenders in connection with a banking system and the publication of a book about a national figure.

"RM15mil was awarded to the publishing company owned by a person of interest for the Datuk, but the book was not published," said the source.

The MACC froze a total of RM8.1mil in several bank accounts belonging to the managing director and several other individuals.

Its investigations director Datuk Azam Baki confirmed the arrest.

It is the latest in a series of "big fish takedowns" by the MACC following a warning by its new chief commissioner Datuk Dzulkifli Ahmad that he would weed out corruption in the public sector.

Since then, several high-ranking officials in Kuala Lumpur, Kelantan and Malacca, including a Datuk and Datuk Seri, have been detained and funds totalling RM13mil frozen.

In a separate case in Kelantan, the MACC was looking into claims by orang asli that illegal loggers had tried to bribe them to keep silent about their activities in Gua Musang.

The orang asli alleged that they were offered cash, rice, tobacco and other essentials to keep their mouths shut, according to MACC state director Datuk Moh Samsuddin Yusoff.

"They tried to bribe everyone in the village but were refused.

"The village head lodged a report with the MACC," he told reporters after a seminar on the integrity of deforestation yesterday.

#### 11. Najib announces three projects worth RM20.2mil for Cameron Highlands

CAMERON HIGHLANDS: Prime Minister Datuk Seri Najib Tun Razak Saturday announced three special gifts worth a total of RM20.2mil for the people here in conjunction with his first visit to the highlands after 31 years.

Najib, who is also Finance Minister, approved the construction of a new 30-kilometre road from Pos Betau to Pos Lenjang in Jelai state constituency, involving an allocation of RM15mil.

He also approved an allocation of RM5mil for the upgrading of stalls at Tanah Rata market and RM200,000 to refurbish Tanjung Gahai mosque.

"I approved all of these because I have not paid a visit for a long time...this can be considered as paying off my debts," he said when opening the Cameron Highlands Umno delegates meeting here.

The three projects are expected to be started next year, Najib said. - Bernama

#### 12. Immigration clamps syndicate falsifying passport stamps

JOHOR BARU: The state Immigration Department has clamped a syndicate falsifying passport stamps during a raid in Taman Century here.

Johor Immigration intelligence unit chief Amir Syamri Mat Ripin said that a team of officers discovered four rubber stamps in a house along Jalan Napoh at about 11.30pm on Saturday.

He said that the stamps, believed to be used for falsifying entry and exit documents for foreigners to the country, were found in a container hidden under a pile of things at the house.

"The stamps bore copies of the entry and exit stamps for those coming through the checkpoint via the Bangunan Sultan Iskandar Customs, Immigration, Quarantine Complex here.

"We also seized three stamp pads and three Indonesian passports and it is believed that the syndicate has been active for more than six months now," he said in a statement on Sunday.

Amir also said that the suspects are believed to be locals, charging their customers between RM300 and RM400 for each stamping.

"The syndicate targeted foreigners looking to stay longer in the country without the hassle of returning to their homeland to renew their travel documents," he said.

He added that the house was also used as a temporary transit before the illegal immigrants returned to their countries via prohibited routes.

"During the raid, we also nabbed an illegal Indonesian woman, in her 50s, who was waiting for a skipper to pick her up and leave the country," he said adding that the woman would be investigated under Section 6(1)(c) of the Immigration Act 1959/63.



Sunday, 28 August 2016

### **13. Noh Omar: MACC should investigate discrepancies in rezoning Wetlands**

KUALA SELANGOR: The Malaysian Anti-Corruption Commission (MACC) should investigate the alleged discrepancies in rezoning the Paya Indah Wetlands reserve to facilitate development projects, said Tan Sri Noh Omar.

The Urban Wellbeing, Housing and Local Government Minister said that the purpose of the land's title change must be probed.

"Former mentri besar from both Barisan Nasional and the opposition party had rejected applications to change the title of the agricultural lots throughout their tenures.

"Why is that such application was approved under the current mentri besar now?

"This is the question and it must be looked into," he said when met at the Tanjung Karang Umno Youth meeting here Sunday.

It was alleged that the Selangor state government had re-zoned a portion of the protected Paya Indah Wetlands for a commercial project.

Former PKR Youth leader Badrul Hisham who since been sacked from PKR lodged a report with the MACC on the allegation.

Noh said that the discrepancy must be answered to the rakyat as the Government had earlier spent close to RM1mil to develop the Paya Indah Wetlands.

"There will also be adverse effects on the nearby environmental ecosystem should the land is developed, likely bringing about mud flows and flash floods in the area."



Sunday, 28 August 2016

#### **14. Company MD in graft probe remanded six days**

PUTRAJAYA: The Malaysian Anti-Corruption Commission (MACC) has obtained an order to remand for six days the managing director of a company for alleged abuse of power and graft involving RM15mil.

The order was issued on Sunday by Magistrate Nik Isfahanie Tasnim Wan Ab Rahman.

The managing director, aged 42, was detained by MACC at 11.09pm, Saturday.

In another development, the MACC also obtained an order to extend the remand of a 48-year-old bank managing director with a "Datuk" title, a former officer of the same bank, a director of a book publishing company and an officer there for two days from Monday.

They were detained by the MACC on Thursday for alleged corruption and abuse of power.



Monday, 29 August 2016

#### **15. Federal Highway motorcycle lanes to get RM3.13mil upgrade**

SHAH ALAM: The Works Ministry has allocated RM3.13mil to upgrade motorcycle lanes on the Federal Highway in areas that fall under its care, says Minister Datuk Seri Fadillah Yusof.

The Works Minister said that the allocation would cover costs for brightening dark areas, installing pump houses at flood-prone areas, painting road lines and tunnel walls, lane-widening, building overhead ramps, additional signage and repair of intersections.

He was speaking to reporters after a visit to the Federal Highway motorcycle lane near the Batu 3 toll plaza here on Monday.

The 28.5-km Federal Highway was the first in the country to feature dedicated motorcycle lanes, and is collectively maintained by the Public Works Department (an 8.1km stretch), Kuala Lumpur City Hall (2.4km), Sprint (2km) and PLUS (16km).

Fadillah also urged motorists to lodge road damage reports via the "Aduan Jalan KKR" mobile app, which has since registered 5,000 users since its launch in March last year.



Monday, 29 August 2016

#### 16. **MACC arrests retired army general in RM15mil corruption case**

PETALING JAYA: The Malaysian Anti-Corruption Commission (MACC) has detained a retired army general, the chairman of a Government-linked bank, over an embezzlement case involving RM15mil.

MACC investigations director Datuk Azam Baki confirmed the arrest but declined to elaborate further.

Bernama reported that the suspect's bank account, which amounts to RM1mil, has been frozen.

Earlier, a source told *The Star* that the 65-year-old man presented himself at the Kuala Lumpur MACC office before he was brought to its Putrajaya office.

It was reported that a second banker was being sought by the MACC over a multi-million ringgit book publishing contract and a project to upgrade the bank system.

Last Thursday, the bank's 48-year-old managing director was also picked up with four others.

The MACC also picked up a man in his 40s on Saturday over the case. This brings the number of arrests to six people.

It is believed the RM15mil was awarded to a publishing company to come up with a coffee-table book about a prominent political figure.

The deal was for the publisher to print about 20,000 copies but the number printed was said to have been much lower.

#### 17. Bank Rakyat chairman remanded a week

PUTRAJAYA: Bank Rakyat chairman Jen (ret) Tan Sri Abdul Aziz Haji Zainal has been remanded for seven days in connection with a graft case involving RM15mil.

The magistrate's court here granted an order for him to be remanded until Sept 5.

The 65-year-old retired army general is the second person from the same financial institution to be questioned by the Malaysian Anti-Corruption Commission (MACC) over a multi-million-ringgit book publishing contract and a project to upgrade the bank's system.

The bank's managing director, 48, was released from remand by MACC together with another three who were also questioned.

They were the bank's former procurement director and two owners of the publishing company.

It was reported that Abdul Aziz had been detained by the MACC for questioning over the RM15mil case, the second top level person from the bank to be hauled up by the MACC.

The bank's managing director, Datuk Mustafha Abd Razak, was detained on Thursday.

MACC investigation director Datuk Azam Baki confirmed the arrest on Monday.

It is understood the RM15mil was awarded to a publishing company to come up with a coffee-table book about a prominent political figure.

The deal was for the publisher to print about 20,000 copies but the amount produced was said to have been much lower.

#### 18. Penang MACC quiz 6 over houses-for-bribes allegations

GEORGE TOWN: The Penang Malaysian Anti-Corruption Commission (MACC) has recorded statements from six people to date over allegation that Lim Keat Seong, the father of Sungai Pinang assemblyman Lim Siew Khim, solicited money from applicants for low-cost and affordable housing.



When contacted, Penang MACC director Datuk Abd Aziz Aban said investigations had started and most of the people captured in the video clip that went viral since days ago had been called for their statements to be recorded.

He also urged Keat Seong to come forward to assist investigations.

It was reported that a video clip showing Siew Khim's father allegedly soliciting bribes to help obtain low-cost housing units in the state went viral after it was posted on social media.

The five-minute and 20-second clip with Chinese and Bahasa Malaysia subtitles is believed to have been posted on a Facebook page on Sunday.

It shows a man on the left - whom Lim later acknowledged to be her father - seated with two other men, one of whom is indicated in the video as "*mediator agen rasuah*" (bribery agent) while the other is captioned as *si mangsa* (victim).

Lim's father, indicated in the video as "*agen rasuah* Uncle Lim", is seen smoking and nodding his head as he sits among the "victims" of the alleged bribery.

As the video progresses, others are heard joining in the discussion.

According to the video, those interested to "cut queue" in the affordable government housing scheme must pay RM260 for a form and some money to an "Uncle Lim", who would then ensure that they obtained a unit.