

1. JPJ robbed of RM754,000 in Wangsa Maju

KUALA LUMPUR: A female employee at the Road Transport Department (JPJ) in Wangsa Maju here was caught offguard when two robbers broke into the office and flashed a parang at her before fleeing with RM754,000.

The two armed robbers had entered the JPJ headquarters located along Jalan Genting Klang, Setapak, at about 5.45pm Monday through the unlocked backdoor.

City CID chief Senior Asst Comm Rusdi Mohd Isa said the female employee was among three JPJ officers on duty during the heist.

"The suspects wore helmets and headed straight to the administrative enforcement office.

"They pointed a parang at the female employee before going into the revenue department where two officers were calculating the day's earning.

"They snatched the money from the officers and made away with the loot," he added.

The case is investigated under Section 395/397 of the Penal Code for gang robbery.

2. Salleh Said wants probe into leaked A-G documents

KUALA LUMPUR: Datuk Seri Dr Salleh Said Keruak (*pic*) has called on the police to determine how a news portal reportedly obtained access to contents of the Auditor-General's report on 1Malaysia Development Bhd.

The Communications and Multimedia Minister said the investigation had to be undertaken urgently and expeditiously to prevent further leakages of official secrets documents, which could jeopardise the country's security.

"The necessity for such an action will provide the providence to ensure integrity and sovereignty of the country.

"Possession of a document classified under the OSA (Official Secrets Act 1972) warrants investigation by the police," he said in a statement.

Salleh said that upon identification, the individual perpetrators and organisation must be brought to court.

"The Government, from time to time, classifies certain documents under the OSA. The Act in itself is designed to provide national security," he said in a statement.



3. Police to verify authenticity of 'leaked Auditor-General's report'

PUTRAJAYA: Police will check on the authenticity of the purported "leaked Auditor-General's documents" that was published on the Sarawak Report website.

Inspector-General of Police Tan Sri Khalid Abu Bakar (*pix*) said he will verify with the Auditor-General himself on the documents.

"We don't know for sure whether the documents are genuine or not. We don't know if Sarawak Report got it from somewhere, or someone gave it to them, or if they amended the original document before publishing it.

"I will talk to the Auditor-General to find out if it is genuinely the Auditor-General's report. If it is, we will investigate it under the Official Secrets Act.

"Sarawak Report cannot be trusted anyway. They have published many things in the past which turned out to be false. They just do it to stir up trouble.

"Even I have been a victim of their slander before," Khalid told reporters at Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi's Hari Raya open house Saturday.

London-based Sarawak Report has published excerpts of what they claimed to be from the classified Auditor-General's report on 1Malaysia Development Berhad (1MDB).

4. BNM cuts interest rate to 3%



KUALA LUMPUR: Bank Negara Malaysia has unexpectedly reduced the Overnight Policy Rate (OPR) by 25 basis points to 3% at its Monetary Policy Committee (MPC) meeting on Wednesday, citing rising risks from Britain's exit from the European Union.

It said on Wednesday the ceiling and floor rates of the corridor for the OPR are correspondingly reduced to 3.25% and 2.75% respectively.

This move could see banks lowering their lending rates and making it cheaper for eligible consumers and companies to take loans. Correspondingly, the saving rates could also go down.

The decision gave the stock market a boost, especially property counters which had been languishing of late.

The FBM KLCI closed up 6.42 points or 0.39% to 1,660.39 after the announcement was made at 3pm. Leading the list of gainers was UOA Development REIT, which jumped 30 sen to RM2.49 with 7.50 million shares done.

In its statement, BNM said: "Looking ahead, there are increasing signs of moderating growth momentum in the major economies. Global growth prospects have also become more susceptible to increased downside risks in light of possible repercussions from the EU referendum in the United Kingdom.

"International financial markets could also be subject to greater volatility going forward. In this light, global monetary conditions are expected to remain highly accommodative," it said.

Standard Chartered Global Research said the move to lower the OPR was "against our (and market) expectations".

"We have been making a non-consensus call for a rate cut this year since Q4-2015 given deteriorating fundamentals. However, the last MPC (in May) was neutral. This goes against the typical process, where the central bank communicates a potential change in stance before it sanctions a change," it said.

Below is the statement issued by BNM:

At the Monetary Policy Committee (MPC) meeting today, Bank Negara Malaysia decided to reduce the Overnight Policy Rate (OPR) to 3%.

The ceiling and floor rates of the corridor for the OPR are correspondingly reduced to 3.25% and 2.75% respectively.

The global economy continues to record growth at a more moderate pace, across major advanced and emerging market economies.

In Asia, persistent weakness in the external sector has weighed on growth, although domestic demand remains supportive. Looking ahead, there are increasing signs of moderating growth momentum in the major economies.

Global growth prospects have also become more susceptible to increased downside risks in light of possible repercussions from the EU referendum in the United Kingdom.

International financial markets could also be subject to greater volatility going forward. In this light, global monetary conditions are expected to remain highly accommodative.

For Malaysia, domestic demand continues to be the main driver of growth. Private consumption will be supported by growth in income and employment, and measures implemented by the Government.

While investment in the oil and gas sector is moderating, overall investment is expected to be supported by the on-going implementation of infrastructure projects and capital spending in the manufacturing and services sectors.

Exports are projected to remain weak following more subdued demand from Malaysia's key trading partners.

Overall, while the domestic economy remains on track to expand in 2016 and 2017, the uncertainties in the global environment could weigh on Malaysia's growth prospects.

Inflation was lower as the impact from the Goods and Services Tax (GST) implemented in April 2015 lapsed and is expected to remain stable in an environment of low global energy and commodity prices and generally subdued global inflation.

Consequently, inflation is projected to be lower at 2% to 3% in 2016, compared to an earlier projection of 2.5% to 3.5%, and continue to remain stable in 2017.

Overall domestic financial conditions have remained stable since the previous MPC meeting with financial markets continuing to function in an orderly manner.

The risks of destabilising financial imbalances have receded.

Both macro and micro prudential measures as well as supervisory oversight have resulted in more prudent lending standards and contained speculative activities in the property market.

The adjustment to the OPR is intended for the degree of monetary accommodativeness to remain consistent with the policy stance to ensure that the domestic economy continues on a steady growth path amid stable inflation, supported by continued healthy financial intermediation in the economy.

The MPC will continue to monitor and assess the balance of risks surrounding the outlook for domestic growth and inflation.

Bank Negara Malaysia 13 July 2016



Thursday, 14 July 2016

5. Health Ministry to issue guidelines on water birthing

PETALING JAYA: A guideline and audit framework to allow water birthing was in the final stage of formalisation, said the Health Ministry.

Its director-general Datuk Dr Noor Hisham (*pix*) said in a statement late Wednesday that patient safety was of paramount importance to the Ministry in regulating any birthing method.

He said hospitals that wish to provide water birth facilities and services may apply to the Ministry after the guidelines have been implemented.

"If they satisfactorily comply with the stipulated requirements, they may be allowed to provide this service," he added.

Dr Hisham said the Ministry was aware that water birth had been practised in some private hospitals here for several years but there were concerns that more women were opting for such method.

Although the numbers were still small, it was important that this method must be proven safe for the mother and the baby.

He said this had led the Ministry to formalise a set of guidelines and audit to ensure the safety of women choosing water birthing as their mode of delivery.

He said the Ministry convened a meeting with a group of experts in 2013 to review the water birth practise in both local and international setting and found there were concerns of increased risk of complications.

"Furthermore, there is a significant gap in the local setting as water births are not part of the local training curricula of the advanced diploma in midwifery, nor in the training of obstetricians and gynaecologist in Malaysia," he said.

Dr Hisham said some of the criteria proposed by the expert committee to be incorporated into the guidelines for water birth in hospitals included:

- * the mother's pregnancy should be a straightforward pregnancy;
- * the facility must have the ability to treat any emergency that may arise to either the mother or the baby during and after the process of labour;
- * the facility must also have appropriate equipment (capable for underwater fetal monitoring) which can be used to monitor the progress of both mother and baby during the process of labour;
- * all healthcare personnel including doctors, midwives and nurses involved in the process of water birth must have adequate training in the method; and
- * necessary precautionary measures in place to reduce the risk associated with water birth, for instance, infection control measures.

Bernama had quoted Health deputy director-general (medical) Datuk Dr Jeyaindran Sinnadurai as saying that water birthing would be prohibited until it was proven safe and beneficial for the mother.

6. We will cooperate on 1MDB probe, says Najib

PETALING JAYA: Datuk Seri Najib Tun Razak says he takes the statement issued by the United States Justice Department over its ongoing action allegedly linking 1Malaysia Development Bhd (1MDB) very seriously.

"We will give full cooperation to all investigations at an international level. We take this matter seriously and we do not want any party to have the wrong impression that the Government does not practise good administration," the Prime Minister said in a statement on his Facebook page on Thursday night.

There is an ongoing suit by the US' Justice Department to seize over US\$1bil (RM4.02bil) in assets allegedly linked to 1MDB.

In the blog post on najibrazak.com, Najib said it has to be clarified that the matter is a civil suit and not a criminal one, and that it is limited to the names mentioned in the report.

According to him, the Government wants the principle of good governance and administration to be something that Malaysia will always champion.

"Our stand thus far has been clear, which is that we do not want to see any action that breaks the law.

"Thus, the process has to be respected, which means that anyone involved has the chance to defend themselves or use the due process of law in court. We should not make any conclusion as long as the process is incomplete," he added.

7. Vell Paari: Najib not a suspect in US probe over 1MDB

PETALING JAYA: MIC treasurer-general Datuk Seri S. Vell Paari is confident that attacks from local and foreign parties will not weaken the resolve of Datuk Seri Najib Tun Razak to keep serving the rakyat and Barisan Nasional.

"I am confident that the other Barisan component parties stand in solidarity with the Prime Minister in the midst of this attack," he said in a statement on Thursday.

It was issued in response to the ongoing suit by the United States' Justice Department to seize over US\$1bil (RM4.02bil) in assets allegedly linked to 1Malaysia Development Bhd (1MDB).

According to Vell Paari, the statement issued by the US Justice Department has proven that Najib is not a suspect in their investigation.

He said this is because the Department had only filed a civil suit to seize assets believed to be linked to the Government-investment fund from four individuals under the Kleptocracy Asset Recovery Initiative.

"The four individuals do not include the Prime Minister," said Vell Paari.

He added that Najib was not named in the investigation conducted by the Singaporean authorities on the 1MDB issue, with Switzerland's Office of Attorney-General also confirming that the Prime Minister was not a suspect in its investigation into the matter.

"The statements from these three countries prove that the Opposition's slander of the Prime Minister being guilty in the 1MDB case is inaccurate and purely politically motivated," he said.

Vell Paari said Najib had "done the best for the country" and the Indian community with Government allocations, stating that the people of Sabah and Sarawak were appreciative of the Prime Minister's efforts to ensure the wellbeing of the rakyat.

He also slammed the *Wall Street Journal* for saying that 1MDB assets would be seized, as the fund had stated that it was not a party in the civil suit by the Justice Department, did not have any assets in the US, and did not benefit from the transactions mentioned in the suit.



Thursday, 21 July 2016

8. Swiss authorities seize van Gogh, Monet paintings in 1MDB case

PETALING JAYA: Swiss authorities acting on a US request have seized three valuable paintings linked to an investigation into controversial Malaysian state fund 1Malaysia Development Berhad (1MDB).

A spokesman for the Federal Office of Justice said Thursday that the paintings ordered seized were van Gogh's *La maison de Vincent à Arles* and Monet's *Saint-Georges Majeur* and *Nymphéas avec Reflets de Hautes Herbes*.

She was confirming a report by the *Neue Luzerner Zeitung* newspaper.

"The operation is not over yet so we will not comment at the moment on the location of the paintings," she said.

The US government on Wednesday filed lawsuits seeking to seize US\$1bil (RM4.02bil) in assets bought with money believed to have been stolen from 1MDB.



Thursday, 21 July 2016

9. Rahman Dahlan: Najib not involved at all in 1MDB probe

PETALING JAYA: Datuk Abdul Rahman Dahlan (*pix*) has maintained that Datuk Seri Najib Tun Razak was not subject to the 1Malaysia Development Bhd (1MDB) investigation as the probe did not in any way implicate the Prime Minister.

The Minister in the Prime Minister's Department said this in response to the United States Department of Justice action with regard to 1MDB, the government investment fund.

"If there are any guilty parties in this investigation, they should be penalised. The important thing is that in the released documents, the Prime Minister is not involved in the investigation.

"In fact, the Prime Minister's name is not mentioned at all," he told a press conference during his inaugural visit to the offices of Bumiputra Agenda Steering Unit (Teraju), Ekuiti Nasional Bhd (Ekuinas) and Talent Corp Malaysia Bhd here Thursday.

Abdul Rahman said the probe was a civil suit, a civil investigation, as the US Department of Justice was now in the midst of trying to convince the court to confiscate the assets.

"The US Department of Justice is only investigating the assets said to have been bought with illicit funds," he said. - Bernama

10. US moves to seize RM4bil assets siphoned from 1MDB

PETALING JAYA: The US Justice Department's civil lawsuits seeking to seize US\$1bil (RM4.02bil) worth of assets allegedly obtained using funds siphoned from 1Malaysia Development Bhd (1MDB) has generated plenty of discussion back in Malaysia.

The lawsuits filed Wednesday are seeking to recover assets belonging to several high-profile individuals who are closely linked to the state investment arm set up in 2009.

In the 136-page document, US prosecutors led by Attorney-General Loretta Lynch alleged that the individuals had conspired to launder US\$3.5bil (RM14bil) from 1MDB to fund their lifestyles.

The individuals, some of whom were named while the identities of several others were withheld, had reportedly used a host of offshore bank accounts and shell companies to conceal their activities over a four-year period beginning 2009.

The lawsuits were submitted by the Justice Department's Kleptocracy Asset Recovery Initiative, which deals specifically with the seizure of proceeds obtained from foreign corruption.

Among the allegations in the lawsuit is that US\$681mil (RM2.6bil) was transferred to a personal bank account of "Malaysian Official 1".

The official complaint also revealed that from October 2009 to June 2010, more than US\$85mil (RM344mil) was spent by the individuals concerned on gambling in Las Vegas, jet rentals, yachts and other payments.

It said that the US\$150mil (RM607mil) used for luxury property in New York and California came from 1MDB's collapsed joint venture deal with PetroSaudi International, as did US\$44.8mil (RM181mil) to buy a hotel in Beverly Hills and US\$35.4mil (RM143mil) for a jet.

It was alleged that money from the Goldman Sachs bond deals was used to purchase US\$130mil (RM526mil) worth of artwork at auction, as well as an interest in the music rights of EMI.

A key individual named in the official complaint by US prosecutors is Riza Aziz, who is the stepson of Prime Minister Datuk Seri Najib Tun Razak.

Riza is also the founder of Red Granite Pictures, which produced the Oscar-nominated "The Wolf of Wall Street" in 2013.

The lawsuits alleged that a certain portion of the fraudulent money was used to help finance production costs on the film.

"The funds diverted from 1MDB were used for the personal benefit of the co-conspirators and their relatives and associates, including to purchase luxury real estate in the United States, pay gambling expenses at Las Vegas casinos, acquire more than US\$200mil (RM809mil) to invest in a major New York real estate project and fund the production of major Hollywood films.

"1MDB maintained no interest in these assets and saw no returns on these investments," the suits read.

The suits also named prominent Malaysian businessman Low Taek Jho, better known as "Jho Low", and Abu Dhabi government officials Khadem Abdulla Al-Qubaisi and Mohammed Ahmed Badawy Al-Husseiny as "relevant individuals" in the case.

Al-Qubaisi and Al-Husseiny were former officials at a sovereign wealth fund in the United Arab Emirates that was involved in deals with 1MDB in that period.

In Singapore, the central bank Thursday moved to seize S\$240mil (RM717mil) in assets in an investigation on possible money laundering of funds linked to 1MDB.

Half the assets belonged to Jho Low and his immediate family members.

According to the Monetary Authority of Singapore, deficiencies had been discovered in several major banks in the country.

In an official statement Thursday morning, 1MDB quickly distanced itself from the US lawsuits, stating that "it is not a party to the civil suit, does not have any assets in the United States of America, nor has it benefited from the various transactions described in the civil suit."

The strategic investment company also said it had not been contacted by the Justice Department or any other foreign agency on the matter.



Thursday, 21 July 2016

11. Statements from over 25 people recorded in 1MDB probe, says IGP

KUALA LUMPUR: The police have recorded statements from more than 25 people in their investigation into government investment arm, 1Malaysia Development Berhad (1MDB).

Inspector-General of Police Tan Sri Khalid Abu Bakar said former 1MDB chief executive officer Datuk Shahrol Azral Ibrahim Halmi was among those who had given his statement, which he did so last month.

He also said that the first phase of the investigation, to scrutinise documents and record the statements of witnesses in the country, had almost been completed.

"The second phase will involve sending police officers abroad to record statements from witnesses and obtain documents there.

"Recording the statements of witnesses takes weeks," Khalid told reporters after closing the Trim and Fit 2016 programme at the Police Training Centre here Thursday.

Asked when the police would send their officers abroad, Khalid said it would be done soon.

He said the investigation into 1MDB was based on a number of recommendations tabled by the Public Accounts Committee (PAC) in Parliament and the police undertaking their responsibility.

He criticised a news portal report that questioned the Auditor-General's presentation.

"PAC had the opportunity to call up witnesses during its investigation and had heard the Auditor-General's presentation. Why raise the questions now just because the portal carried the report?" he said.

Khalid said the Cabinet had instructed the police to undertake the investigation based on PAC's recommendations.

He was also asked about the United States' Department of Justice civil suits with regard to 1MDB.

Khalid said police were not officially informed of the matter.



Thursday, 21 July 2016

12. No evidence of misappropriation in 1MDB, says A-G

PETALING JAYA: There has been no evidence from any investigation to show that money has been misappropriated from 1Malaysia Development Berhad (1MDB), said Attorney-General Tan Sri Mohamed Apandi Ali (*pix*).

This follows after the United States Department of Justice (US DOJ) filed a civil suit to seize more than US\$1bil (RM4.02bil) in assets allegedly linked to 1MDB on Wednesday.

Mohamed Apandi said there have been no criminal charges pressed against any individuals for the "offence of misappropriation of funds from 1MDB".

He also expressed strong concerns at the insinuations and allegations made against Prime Minister Datuk Seri Najib Tun Razak on alleged criminal wrong doing in relation to the civil suit filed by the US DOJ.

"The Attorney-General intends to clarify that at no point in the civil claim filed by the US DOJ is the Prime Minister named as a defendant or have been alleged to have committed any criminal wrong doing.

"Presently, there is an ongoing investigation conducted by the Royal Malaysia Police concerning matters related to 1MDB.

"Given that the investigation is under way, it would not be appropriate to divulge details that may compromise the investigation.

"The Attorney-General must emphasise that it is crucial to preserve the integrity of the investigation as the public must not doubt the outcome of the investigation," said Mohamed Apandi in a statement Thursday.

He added the Attorney-General's Chambers (AGC) has yet to receive any request from the US DOJ to get any information or evidence, adding the AGC would welcome such a request.

This, he said, was in line with the AGC' commitment in international cooperation and collaboration in its fight against money laundering and corrupt practices.

"As the Public Prosecutor, the Attorney-General will not hesitate to initiate proceedings against the perpetrators of criminal acts provided there is sufficient evidence to do so.

"Any wrongdoing must and will be punished. Malaysia will always uphold the rule of law," he added.

13. MACC working with FBI on 1MDB probe

PETALING JAYA: The Malaysian Anti-Corruption Commission (MACC) has confirmed that it is working with the United States Federal Bureau of Investigation (FBI) to probe an unidentified businessman suspected of siphoning 1Malaysia Development Bhd (1MDB) funds.

"Regarding the US Department of Justice report on 1MDB, the MACC confirms that it is cooperating with the FBI, as both parties have been working together before.

"The cooperation mentioned is focused on the possibility of misappropriation and money laundering by a businessman who is said to have cheated 1MDB," the statement said Friday, without naming the businessman mentioned.

On Wednesday, the US Department of Justice filed a civil suit, seeking to seize US\$1bil (RM4.02bil) worth of assets allegedly obtained using funds siphoned from 1MDB.

In the 136-page document, US prosecutors also alleged several high-profile individuals of conspiring to launder US\$3.5bil (RM14.07bil) from 1MDB to fund their lifestyles.

14. Zahid: Malaysia views US DOJ lawsuits seriously

KUALA LUMPUR: Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi (*pic*) says the Government views seriously the filing of civil forfeiture lawsuits by the United States Department of Justice (DOJ) with regard to 1Malaysia Development Berhad (1MDB).

He said Malaysia welcomes the efforts by the US DOJ in battling international corruption and urges all parties involved to cooperate fully so that the appropriate legal process can take its due course.

Dr Ahmad Zahid said Malaysia, being a responsible member of the United Nations and the global community, respects the legal processes of different jurisdictions and remains fully committed in upholding the rule of law.

"As stated by Prime Minister Datuk Seri Najib Tun Razak, this is in line with our commitment to promote good governance, especially from the standpoint of transparency and accountability.

"In my capacity as the Home Minister, I can confirm that investigations are still ongoing domestically by the relevant authorities, especially the Royal Malaysian Police," he said in a statement Saturday.

Recently, the Department of Justice of the United States has filed a civil suit to recover assets derived from alleged misappropriation of 1MDB funds.

Dr Ahmad Zahid stressed that any Malaysian individual or corporation found guilty in engaging in unlawful activities anywhere in the world will face the full brunt of the law.

He said the Malaysian Government stands firm in its commitment to resolve the issue fully and priority is given to uphold justice, so that the interest of the public is fully protected.

"More importantly, we must not allow ourselves to be distracted by these lawsuits.

"Malaysians must remain united and focused on facing the challenges which confront our nation both at home and abroad. I am confident that we will soon find a closure on this 1MDB debacle," he said.

- Bernama



Sunday, 24 July 2016

15. Abu Kassim: MACC cooperated with FBI under UN convention

KOTA BARU: Malaysian Anti-Corruption Commission (MACC) chief commissioner Tan Sri Abu Kassim Mohamed (*pic*) has confirmed the agency was cooperating with the United States' Federal Bureau of Investigation (FBI) on investigations into 1Malaysia Development Berhad (1MDB).

Abu Kassim said MACC was investigating a businessman said to have cheated 1MDB and was also involved in laundering money before taking it to the US.

"As such, US sought our assistance and we only assisted as provided under the United Nations' Convention Against Corruption.

"(Under the convention), agencies are required to give their cooperation and support when confronted with a crime involving several countries," he said when met by reporters after a working visit to the Kelantan MACC in Lundang here, Sunday.

Also present was Kelantan MACC director Datuk Moh Samsuddin Yusof.

On Friday, MACC in a statement confirmed it was cooperating with FBI on 1MDB investigations.

However, the cooperation was only devoted to the possibility of money laundering by a businessman said to have duped 1MDB.

Last Thursday, Prime Minister Datuk Seri Najib Tun Razak was reported as saying the Government took a serious view of the civil suit on 1MDB by the US Department of Justice (DOJ).

He said the matter was a civil action and not a criminal case and it was only limited to the names mentioned in the DOJ document.

Najib said the Government would give its full cooperation to all international investigation bodies.



16. Najib's position unscathed despite 1MDB probe, says think tank

KUALA LUMPUR: Datuk Seri Najib Tun Razak is under no political threat despite the United States declaring that it would be seizing assets the country believes were bought from money stolen from a state-owned fund by people close to the Prime Minister, reported Singapore's *The Straits Times*.

The US Department of Justice (DOJ) lawsuits allegedly linked to 1Malaysia Development Berhad (1MDB) fund will, however, likely not undermine Najib's secure grip on power, as he has a firm hold over the ruling Umno, and control over key Malaysian institutions, such as security agencies, it said.

The report on Saturday cited an opinion research firm as saying how the country's Opposition was fragmented.

"Najib's security is because the Opposition and Umno dissidents are not able to come together to present a coherent message and credible alternative," said Ibrahim Suffian of the Merdeka Centre polling outfit.

In the immediate term, Najib's focus will be to further consolidate his power at home, said the report, adding that he is expected to continue with his strategy of stubborn ignorance to the fallout from the 1MDB fiasco.

"It has been the strategy from the start and it has served him well. There is no reason to change," said a senior researcher with a local think-tank who requested anonymity.

Najib started 1MDB shortly after taking over the premiership in April 2009 to pursue strategic investments abroad.

But according to the DOJ, senior Government officials and businessmen close to the Prime Minister used the fund as a private piggy bank right from the start, the report said.

Najib has denied any wrongdoing. He has dismissed the intense international media coverage on financial mismanagement and alleged money laundering of 1MDB's finances as false and aimed at undermining his administration.

On Thursday, the Government said it would cooperate with the US in its investigations, but insisted that local regulatory agencies had cleared Najib of any wrongdoing in the 1MDB case.

The US Justice Department's civil lawsuits to seize more than US\$1bil (RM4.02bil) in assets strikes very close to the Prime Minister.

The assets marked for seizure are held by Riza Aziz, his stepson, businessman Jho Low, and two former Abu Dhabi government representatives.

The Straits Times wrote that while Najib's grip on power was not in any serious trouble, the tarring of his political reputation could have repercussions for him personally.

Diplomats and analysts noted that the US move would make it uncomfortable for Najib to attend international events in the near term, said the report. Others argued that it could make it uncomfortable for foreign leaders to be seen interacting with him.

The report added that the move could also alter Malaysia's foreign policy.

The DOJ probe is likely to strain ties between Washington and Kuala Lumpur and could nudge the Najib government closer to China, which is pushing very hard to find allies in the region, it said.

"The latest twist in the 1MDB affair does play to China's advantage. The question is how far Malaysia will bend (towards Beijing)," a Western diplomat in Kuala Lumpur was quoted as saying.

In late 2015, two China state-owned corporations acquired 1MDB's Edra Global Energy, the country's second largest power producer, and a majority interest in the fund's property development arm for a combined price tag of US\$4bil (RM16.3bil).

17. 1MDB: Don't rely on 2013, 2014 financial statements

KUALA LUMPUR: 1Malaysia Development Bhd (1MDB) has decided that its 2013 and 2014 audited financial statements should no longer be relied on, as a precautionary measure.

The move follows a pending and final determination by a court of law of certain alleged facts described in the civil forfeiture suits by the United States Department of Justice (DOJ), 1MDB said.

The DOJ filed civil forfeiture lawsuits last Wednesday to recover assets derived from alleged misappropriation from 1MDB.

The assets marked for seizure are held by Prime Minister Datuk Seri Najib Tun Razak's stepson Riza Aziz, businessman Jho Low, and two former Abu Dhabi government representatives.

"Whilst the board remains confident that no wrongdoing has been committed by 1MDB and that the past audited financial statements continue to show a true and fair view of the company's affairs at the relevant points in time, the board has decided that (move) as a precautionary measure," 1MDB said in a statement Tuesday.

1MDB also said it was finding a new auditor for the company to replace Deloitte, which had notified the government investment arm of its intention to resign on Feb 26 this year.

"Until a new auditor is appointed, Deloitte will remain as auditor on record," it said.

1MDB said Deloitte would continue to audit key subsidiaries including TRX City Sdn Bhd (formerly known as 1MDB Real Estate Sdn Bhd), Bandar Malaysia Sdn Bhd and Edra Bhd. - Bernama

18. Don't rush us over 1MDB probe, says IGP

PUTRAJAYA: The 1Malaysia Development Bhd (1MDB) investigation is ongoing but will take time to complete, Inspector-General of Police Tan Sri Khalid Abu Bakar said.

He said this was because recording statements from witnesses involved a lengthy process.

"As I have said, the investigation is still ongoing. I know some people are trying to rush us.

"For some of the witnesses, it took us more than a week to record their statements as there are so many documents we have to check," he said at the 36th Aseanapol Conference 2016 at the Marriott Hotel here yesterday.

"Don't compare us to other organisations. If you want us to do a good job, let us do it properly," he said.

Asked on the details of the investigation, Khalid declined to elaborate saying it might send the alleged suspects into hiding.

In Kuala Lumpur, *Bernama* reported that Communications and Multimedia Minister Datuk Seri Dr Salleh Said Keruak said the Government was transparent in any investigation, including those conducted by the Malaysian Anti-Corruption Commission and the US' Federal Bureau of Investigation.

"We are not hiding anything. In fact, we will ensure that anyone who breaks the law will face appropriate action. This shows the Government's transparency.

"It also sets aside the assumption that we are protecting certain parties," he told reporters after launching Goxip.com, a website and platform for local and international fashion, here yesterday.

Last week, the US Department of Justice launched a civil suit seeking to seize US\$1bil (RM4bil) worth of assets allegedly obtained using funds siphoned from 1MDB.

The suit is seeking to recover assets belonging to several high-profile individuals who are closely linked to the state investment arm set up in 2009.



Friday, 29 July 2016

19. Najib questions publicity given to DOJ report

KUALA LUMPUR: The Prime Minister has questioned the publicity given to the report by the United States Department of Justice (DOJ) on 1Malaysia Development Berhad (1MDB).

In a press conference held at the Umno headquarters here, Datuk Seri Najib Tun Razak said reports like this were usually kept 'low key'.

"It is unprecedented for a report like this to be given such publicity. Usually it's private and kept low key but now it's been made a big deal," he said.

Asked whether he felt the report was a result of all the media coverage given on 1MDB, the premier said it would seem so.

"On the surface, it would appear that it came from certain sources. We will observe the proceedings that follow suit. I can't say for sure where it came from, but definitely not from the Government or the Attorney-General," he said.

Najib added that he did not want to speculate on the matter.

"We have some opinion about it, but we don't want to speculate on it publicly.

Najib added that no legal action would be taken against the DOJ, but said that the DOJ should have sought input from 1MDB or Malaysian authorities before writing their report.

"We are not involved in it. I however urge those named to clear their names," he said.



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20. DOJ action legally flawed, says senior Aussie lawyer

KUALA LUMPUR: The move by the United States Department of Justice (DOJ) to seize assets allegedly linked to 1Malaysia Development Berhad (1MDB) is legally flawed, says a senior Malaysian-born Australian lawyer.

Quintin Rozario, a prominent litigation lawyer in Brisbane, said by making public statements on Malaysian individuals allegedly to have laundered illicit funds into the US, its Attorney-General Loretta Lynch had herself committed "excesses and breaches of natural justice".

Rozario told Bernama from Brisbane that Lynch overstepped the mark and her authority by concluding that an offence or offences had been committed by Malaysia or its agents.

"She went further by implying that they were guilty of the offence by making assertions without a scintilla of proof or a valid court decision that could back her assertions.

"In order for that to occur, the Malaysian defendants ought to first to have been heard. They were not," he said.

Rozario said it was a legal principle that even the most vile criminals were deserving of and entitled to the doctrine of natural justice under the constitution.

"The right to be heard and to be afforded an opportunity to present their defence, to challenge the assertions and charges and the evidence against them and for the respondents in this matter to confront their accusers has not yet arisen.

"For the highest legal officer of the land in Loretta Lynch to act in such an arbitrary manner as she has recently is to deny the respondents a fair hearing or any hearing at all. Loretta has become judge, jury and executioner all in one," he added.

Rozario said the US Attorney-General's actions were also clearly against a decision made by the US Supreme Court in 2014 in the case of Daimler vs Baume, in which the apex court ruled that any violation or act committed by residents in the US, their conduct could not be attributed to the government or as in this case, 1MDB.

"Instead the Supreme Court ruled that their activities would only establish specific jurisdiction in the state they reside in the US," he said.

The lawyer also spoke of the US record of observing international law, which he described as "inconsistent at best and selective and flawed at worst".

He said the US had the economic, political and military might to exercise over those who it could and wished to subdue.

"Loretta Lynch's approach to 1MDB follows a long line of authority of the US using strong-arm tactics on smaller states. It does this by appropriating to itself powers to dilute Malaysia's sovereignty and to enforce against it 'legal obligations' usurping that power from the US and Malaysian courts and other arms of their government," he added.

Rozario's arguments reinforced Prime Minister Datuk Seri Najib Tun Razak's remark on Thursday that due process needed to be respected and that those named in the DOJ action should have a chance to defend themselves, including in court.