

## The Star July 2019

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**1. MACC took my statement six times, ex-SRC director tells court in Najib's trial**



KUALA LUMPUR (Bernama): Datuk Suboh Md Yassin told the High Court here that he had met Malaysian Anti-Corruption Commission (MACC) officials to have his statements recorded on six occasions in 2015 and five times in 2018 following the 14th General Election.

The former SRC International Sdn Bhd director - the 42nd prosecution witness - said the first time MACC recorded his statement was on Nov 27, 2015.

During cross-examination by former prime minister Datuk Seri Najib Razak's lawyer, Tan Sri Muhammad Shafee Abdullah, the witness confirmed that five statements in 2018 were recorded on May 28, 30, 31 as well as Aug 13 and 15.

"One statement in 2015 was recorded by MACC recording officer Syed Mohd Tarmizi Syed Musa while in 2018, I was assisted by another MACC officer, Raub Ghani," he said on the 30th day of Najib's trial on Monday (July 1).

During the proceedings, Muhammad Shafee also asked Suboh, 68, to verify several documents that had been photocopied onto transparencies as well as his signature on each document.

This includes his signatures on the MACC acknowledgement form after each recording statement sessions.

Referring to the documents, Muhammad Shafee asked Suboh if the signatures on the MACC acknowledgement form were his normal signatures and not initials, the witness answered "yes".

Earlier, Muhammad Shafee had requested Suboh to pen his signatures 30 times on two pieces of paper to compare the sample signatures he had signed in court and on court exhibits such as bank documents.

Suboh said a person's signature varies when he/she were to pen it while sitting, standing or in a rush.

The trial before Justice Mohd Nazlan Mohd Ghazali continues Tuesday (July 2).

## 2. Former SRC director admits signatures on documents differed from his own



KUALA LUMPUR (Bernama): Former director of SRC International Sdn Bhd Datuk Suboh Md Yassin told the High Court here that signatures on SRC documents alleged to be his were different from his own.

The 42nd prosecution witness said this when he saw the signature samples, which were projected on a screen in court during cross-examination by counsel Tan Sri Muhammad Shafee Abdullah, who represented former prime minister Datuk Seri Najib Tun Razak.

He was testifying on the 31st day of Najib's trial in relation to the misappropriation of RM42mil of SRC funds.

Suboh, 68, also agreed that the signature samples were not similar to those on the documents, which include instructions to AmIslamic Bank to transfer monies between SRC, Gandingan Mentari and Ihsan Perdana Sdn Bhd.

Muhammad Shafee: Observe the hard copy and your signature (on the sample) that we superimposed?

Suboh replied, "It's different."

Muhammad Shafee: It is completely different, you agree?

Suboh: Right.

Muhammad Shafee: Now you agree with me that somebody was signing your hard copy?

The witness replied, "Yes."

Muhammad Shafee: I want to draw some conclusions. All the scanned copies, many of them, carry your signature. But they are scanned (copies of your signature). Somebody lifted your signature, cut and paste it on documents, and sent it to the bank. They carry your signature but you did not sign those documents, 17 times. You could not sign identically, do you agree?

Suboh: Yes.

Muhammad Shafee: You did not sign the scanned copies?

Suboh replied, "Yes."

Muhammad Shafee: This means (that) you did not sign any of the Rentas forms which is evidence in this case. You signed none of them?

Suboh: Yes.

Muhammad Shafee: Who asked you to admit the hard copies contain your signatures? Who put you up to it? Be careful with your answer. You are in a court of law. I ask again. Who put you up to it? Why did you admit?

Suboh: I was never put up to such a situation.

Muhammad Shafee: Are you sure?

Suboh: Yes.

Muhammad Shafee then asked Suboh whether he informed the Malaysian Anti-Corruption Commission (MACC) that the signatures were not authentic.

Suboh said he could not remember to which Muhammad Shafee cautioned him and told him to try to recall. However, the witness kept repeating his answer, saying, that he could not remember.

Muhammad Shafee then applied to the court to refer Suboh to his statement made to the MACC in 2018.

Justice Mohd Nazlan Mohd Ghazali granted the request.

"Due to witness request to assist him in recalling the event by providing his statement (given) to the MACC, under 159 section (Statement Act 1950) about the statement report made by a witness to an officer, I approve the request," the judge ruled Tuesday (July 2).

Najib, 66, is charged with three counts of criminal breach of trust, one count of abusing his position and three counts of money laundering involving SRC funds amounting to RM42mil.

Hearing before Mohd Nazlan continues.

### **3. MACC going after 'big fish' for alleged corrupt practices in Sarawak**

KUCHING: The Malaysian Anti-Corruption Commission's headquarters in Putrajaya is investigating high-profile cases in Sarawak for alleged corrupt practices, says state MACC director Razim Mohd Noor.

"For cases involving the 'big fish', the headquarters will handle the investigation. Any decision or action depends on the headquarters," he told reporters at the state MACC Gawai Raya gathering here on Wednesday (July 3).

Razim said he did not have access to the investigation, as the state MACC only acted as liaison.

However, he said the state MACC had received more than one report from the public, alleging corruption involving high-profile individuals.

Last month, DAP's Padungan assemblyman Wong King Wei urged new MACC chief commissioner Latheefa Koya to investigate Sarawak's "big fish" for corruption.

State Reform Party Sarawak and Parti Bansa Dayak Sarawak Baru had also called on Latheefa to go after corrupt politicians in the state.

**4. No breach of agreement with YTL as contract ended on June 30, says Education sec-gen**



PUTRAJAYA: There was no breach of agreement as the contract with YTL Communications Sdn Bhd (YTLC) for Phase 2 of the 1BestariNet virtual learning in schools ended on June 30, said Education Ministry secretary-general Datuk Dr Mohd Gazali Abas.

"The ministry did not end the contract. YTLC was awarded the contract for 1BestariNet Phase 1 from Dec 13, 2011 until June 30, 2016.

"There were seven extensions of contract before Phase 2 started from July 1, 2016 until June 30 this year. "Therefore, allegations that the Education Ministry had breached the contract obligation and has been unfair to YTLC, as well as claims that Education Ministry has terminated the contract is unfair and false.

"It is not that we are saying YTLC is not good but we want to find the best. To do that, we are using this interim to try other service providers," he told reporters during a press conference yesterday to address YTLC's allegations that the Ministry had acted unfairly.

During this six months interim period, the Education Ministry wanted to source for the best internet service provider "so that our students get the best technology, the best services, the best internet connectivity at the best cost."

Mohd Gazali said YTLC is still welcome to bid for the open tender for the three-year contract for the next phase. He added that the ministry took into consideration the experience over the past eight years working with YTLC when deciding on who will be the internet service providers (ISPs) during the interim period, which began on July 1 and will end on Dec 31.

"We know their strengths and weaknesses," he said, adding that the Ministry had paid YTLC around RM3.8bil for Phase 1 and Phase 2 of 1BestariNet. He agreed that YTLC did deliver on some of the improvements they promised between Phase 1 and Phase 2. "But we need more improvements moving forward," he continued.

Mohd Gazali said YTLC was given the contract for Phase 2 through direct negotiation because they were still the best service provider at that point of time.

He added the ministry is using the interim to gauge the services provided by the three ISPs -- Telekom Malaysia, Celcom Axiata and Maxis.

Mohd Gazali said that the major telco companies were invited to a briefing in April on the ministry's requirements for this interim period and that YTLC was also called.

He added YTLC had been using the communication towers they built in schools, known as 1BestariNet Receiver Integrated System (1BRIS), for commercial use for YES 4G.

There are about 1,000 1BRIS towers located on school grounds throughout Malaysia.

"This would not be an issue if they were contributing to the school's electricity bill, which shot up to at least RM200 after installing the towers," he added.

He also said that YTLC was only being charged RM10 per month as site rental for 1BRIS when the average market rate for such a site is RM2,000 per month.

He acknowledged that this was the agreement in the Phase 1 contract, but that the ministry wanted to charge more since the towers are clearly not being used just for the schools.

The government stands to earn around RM32.5mil (throughout the six-month interim) in commercial structure rent if they charge the actual rate but, he continued, YTLC did not want to pay this price.

On YTLC's offer to provide free internet and Frog Virtual Learning Environment (Frog VLE) during the six months, Mohd Gazali said they were only going to give 4MBPs internet speed, which is inadequate for schools.

"They were also asking for us to give them free site rental and electricity (for the communication towers)," he said.

He stressed the ministry was not ignoring YTLC's offer but that their contract with the ministry had ended.

The ministry, he added, was responding to feedback from schools, teachers and parents that 1BestariNet and Frog VLE was problematic and troublesome.

At the same press conference, National Union of the Teaching Profession (NUTP) president Aminuddin Awang said the union fully supported the ministry's decision to allow other telcos to provide internet access to schools for the next six months as a form of "trial phase".

"The union has received plenty of complaints (about 1BestariNet) from teachers about the very weak internet connectivity in schools," he said.

**5. Ku Nan's RM2mil corruption trial begins Tuesday (July 2), four witnesses expected on day one**



KUALA LUMPUR (Bernama): Datuk Seri Tengku Adnan Tengku Mansor's trial on a charge of receiving a RM2mil bribe from businessman Tan Sri Chai Kin Kong will begin at the High Court here Tuesday (July 2), with four witnesses expected to testify on the first day.

According to a deputy public prosecutor, the four witnesses include those from the Companies Commission of Malaysia, Cabinet division and a bank.

The case of the former Federal Territories minister will be heard before Justice Mohamed Zaini Mazlan beginning 9 am Tuesday.

The case of Tengku Adnan, 68, who is also Putrajaya MP, has been set for July 2, 3, 4, 9, 10 and 11.

On Jan 23 this year, Tengku Adnan maintained his not guilty plea before Justice Mohamed Zaini when the charge was read to him again on first mention after the case was allowed to be transferred from the Sessions Court to the High Court on Dec 14, 2018.

According to the charge, Tengku Adnan, as a public servant, namely, the Federal Territories Minister, had accepted for himself RM2mil from Chai Kin Kong via a Hong Leong Islamic Bank cheque belonging to Aset Kayamas Sdn Bhd, which had been deposited into the CIMB Bank account of Tadmansori Holding Sdn Bhd in which Tengku Adnan had an interest, when it was known that Aset Kayamas had connection with his official duties.

Tengku Adnan is alleged to have committed the offence at CIMB Bank Bhd, Pusat Bandar Damansara branch here on June 14, 2016, under Section 165 of the Penal Code, which provides for a jail term of up to two years or fine or both, on conviction.

Tengku Adnan is also facing a charge of accepting a bribe and an alternative charge of accepting a bribe of RM1mil from businessman Tan Eng Boon over the approval of an application by a company to raise the ratio related to development in Jalan Semarak, Kuala Lumpur in 2013.

This hearing for the second case before High Court Judge Mohd Nazlan Mohd Ghazali will begin on Sept 3 this year.

6. Najib gave orders to rush govt guarantee for SRC loan, court told



KUALA LUMPUR: A former senior Finance Ministry officer told the High Court here that repeated orders came from Datuk Seri Najib Razak (*pic*) through intermediaries to rush a Federal Government guarantee for SRC International Sdn Bhd's first RM2bil loan.

Datuk Malihami Hamad testified that time was limited and added that he was under pressure to prepare the papers for a Cabinet meeting on Aug 17, 2011.

He said the orders came from SRC International and from the Treasury secretary-general at the time, Tan Sri Wan Abdul Aziz Wan Abdullah, who he knew received instructions from Najib.

"I also received the same order from the late Datuk Azlin Alias, who was Najib's private secretary," he said.

"The instructions I received were verbal, and they were to ensure that the papers were prepared immediately for the approval of Cabinet on the same week," he added.

Malihami was the 43rd witness in the corruption trial of Najib, who is accused of misappropriating RM42mil in SRC International funds.

The 65-year-old, said when reading his witness statement that he "handed down" all the instructions and pressure he received from related parties to his subordinates.

"I ordered (deputy secretary) Afidah Azwa Abdul Aziz to ensure the papers were prepared for the consideration and signature of (former Minister in the Prime Minister's Department) Tan Sri Nor Mohamed Yakcop, so that it could be presented to a Cabinet meeting on the same day, on Aug 15, 2011.

The court had earlier heard testimony from Afidah Azwa, who said she was under pressure and had doubts on the request to expedite the papers.

Maliami said that the completed papers were then submitted to Nor Mohamed, who had signed it on Aug 15, 2011.

The papers were then presented and approved by Cabinet on Aug 17, 2011.

Najib is facing seven charges involving RM42mil in funds belonging to SRC International.

On July 4 last year, Najib claimed trial to a charge of abuse of power and three counts of criminal breach of trust linked to the 1MDB scandal.

He allegedly misappropriated RM42mil in funds belonging to SRC International.

On Aug 8, he appeared in court again for the second time and was charged with three counts of money laundering involving the same RM42mil.

The hearing before Justice Mohd Nazlan Mohd Ghazali continues on Tuesday (July 9).

**7. Sg Rambai rep, clerk plead not guilty to 34 CBT charges**



**Datuk Hasan Abd Rahman (right)**

MELAKA: The Sungai Rambai assemblyman and his former clerical assistant claimed trial at the Sessions Court in Ayer Keroh for alleged misappropriation of funds under the National Blue Ocean Strategy (NBOS) totalling RM318,400.

The accused Datuk Hasan Abd Rahman, 57, and Khuzaimah Abdullah, 34, face 34 separate charges each.

Both their pleas were recorded before judge Mohd Nasir Nordin.

Based on the statement of facts of the 34 charges, Hasan is said to have committed criminal breach of trust by signing cheques amounting to RM318,400 for three agricultural and livestock projects under NBOS 2016.

However, that sum of money was never received by the actual recipients.

Khuzaimah also faces 34 similar charges with abetting Hasan.

Both face charges framed under Section 406 of the Penal Code that were read together with Section 109 of the Penal Code.

The duo could face a jail term of up to 10 years, whipping and fine upon conviction.

Deputy Public Prosecutor Gan Peng Kun prosecuted.

The court granted a bail of RM50,000 with one surety each and fixed Aug 20 for re-mention of the case.

Hasan was represented by counsels Hamidi Mohd Noh and Mohd Haziq Zali, while Khuzaimah was represented by counsels Ahmad Faiq Azizan and Muhammad Nor Izzat Nordin.

## 8. Melaka assemblyman to be charged



PUTRAJAYA: Melaka's Sungai Rambai assemblyman Datuk Hasan Abd Rahman (pic) is set to be charged with misappropriation of funds under a National Blue Ocean Strategy (NBOS) programme in 2016.

The chairman of the State Assembly Development and Coordination Committee (Japerun) for Sungai Rambai will be charged today at the Ayer Keroh Sessions Court.

Also facing charges is Japerun clerk Khuzaimah Abdullah.

Malaysian Anti-Corruption Commission (MACC) chief Latheefa Koya said Hasan and Khuzaimah were arrested by Melaka MACC yesterday.

She said the case was related to a "strategic linkage" initiative under the NBOS programme.

Under the Barisan Nasional administration, Hasan was the state agriculture and entrepreneur development committee chairman.

He has been Sungai Rambai assemblyman since 2008 and retained the seat in GE14 even though the state fell to Pakatan Harapan.

## 9. Najib's 1MDB trial to start on Aug 19

KUALA LUMPUR: The trial of former prime minister Datuk Seri Najib Razak, who is facing 25 corruption and money laundering charges involving RM2.28bil of 1Malaysia Development Bhd's (1MDB) funds, will start on Aug 19 as fixed earlier.

This follows High Court judge Justice Collin Lawrence Sequerah's decision to dismiss Attorney General Tommy Thomas' application for postponement until Najib's trial involving abuse of SRC International Sdn Bhd funds is completed.

"This is the third postponement sought and this court is of the view that it cannot grant another postponement following the court practice directive," said the judge, adding the case management hearing on July 15 was also vacated.

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

Earlier, Thomas, the lead prosecutor in Najib's SRC International trial, requested for a postponement of the 1MDB trial set in August and September to allow the SRC case to complete first.

Thomas told the court that the prosecution had informed judge Mohd Nazlan Mohd Ghazali, who presided over the SRC International trial, that the case might not be completed by Aug 15.

"It would be difficult for trial number two (the 1MDB case) to start before the disposal of the first case (SRC International)," Thomas said.

His application was supported by Najib's lawyer Tan Sri Muhammad Shafee Abdullah, who said that he also wanted to ensure the disposal of the SRC International case first before the 1MDB trial could be heard.

Najib is facing four counts under the Malaysian Anti-Corruption Commission (MACC) Act and 21 counts of money laundering involving 1MDB funds, amounting to RM2.28bil.

#### 10. 'Nothing tangible came out of loan'

**KUALA LUMPUR:** A witness told the High Court that nothing tangible came out of the RM4bil loaned by Retirement Fund Inc (KWAP) to SRC International Sdn Bhd.

Former KWAP chairman Tan Sri Dr Wan Abdul Aziz Wan Abdullah said he did not know what was done by SRC International with the billion-ringgit loan.

He was answering a question during a re-examination by deputy public prosecutor Datuk Suhaimi Ibrahim at the corruption trial of Datuk Seri Najib Razak, who is accused of misappropriating RM42mil in SRC International funds. During cross-examination earlier, Najib's lawyer Tan Sri Muhammad Shafee Abdullah had raised the issues of Langkawi International Maritime and Aerospace (Lima) Exhibition's accommodation project and UEM's North-South Expressway project that received the then prime minister's attention.

The projects were hurried, and the working papers were only completed after the projects had started.

DPP Suhaimi: For SRC International, the money had been disbursed. Until now, do we see what has been done with the money loaned?

Dr Wan Abdul Aziz: No.

Meanwhile, another witness testified that Bank Negara seized seven electronic devices, including a BlackBerry, from three AmBank officers in Jalan Raja Chulan in 2015.

Bank Negara analyst Suzairizman Shuib, 40, said four thumb drives of four and eight gigabytes and a hard disk were also seized from AmBank relationship managers Joanna Yu, Krystle Yap and Daniel Lee.

The witness was in an examination-in-chief by deputy public prosecutor Mohd Ashrof Adrin Kamarul.

Suzairizman said he seized the items on July 6, 2015 after he received an order from his department director Abdul Rahman Abu Bakar during a briefing session.

Two days later on July 8, 2015, the witness said he received an application from Bank Negara investigating officer Ahmad Farhan Sharifuddin for him to run an analysis on Yu's BlackBerry.

Suzairizman then extracted data from the phone's memory card and SIM card which included photos and videos.

"I 'burned' (copied) the information I had before handing a report on it to Ahmad Farhan.

"I also handed the handphone to the Malaysian Anti-Corruption Commission for further action," he added.

DPP Ashrof: Some time in April and May this year, did you receive any information from Ahmad Farhan regarding the case?

Suzairizman: Yes, I did. He said Bank Negara had a court order for me to retrieve the information from a BlackBerry Messenger.

DPP Ashrof: Did Ahmad Farhan explain about the information they sought on the phone?

Suzairizman: Yes, he showed me names.

DPP Ashrof: You remember those names?

Suzairizman: I do. Joanna, Krystle, Daniel and Jho Low.

The hearing continues before Justice Mohd Nazlan Mohd Ghazali on Monday.

**11. RM925mil of 1MDB funds recovered, says Lim**



KUALA LUMPUR: A total of RM925.1mil of money related to 1Malaysia Development Bhd (1MDB) has been returned to the government to-date, says Finance Minister Lim Guan Eng.

"A total of RM805.8mil was returned from the United States, of which RM567.8mil was from the sale of Park Lane Hotel in Manhattan, New York, and RM238mil from Red Granite Pictures," he said in a statement.

Lim said RM92.3mil was recovered from Singapore and RM27mil was recovered locally, of which RM6.1mil was from the 1MDB Foundation and RM20.9mil from the company itself.

"This is the result of the efforts by the authorities, including the Malaysian Anti-Corruption Commission, police, the Attorney General's Chambers and the cooperation of foreign authorities.

"Efforts to recover the funds will continue to repay 1MDB's debts amounting to RM51bil," he said, adding that the amount included future interest payments guaranteed by the Federal Government.

## 12. PAC to question errant govt agencies

KUALA LUMPUR: Several government agencies will be called up by the Public Accounts Committee (PAC) to explain discrepancies found in the Auditor-General's Report 2018.

"The PAC identified a few issues involving government departments," said its chairman Datuk Dr Noraini Ahmad.

According to Noraini, Auditor-General Datuk Nik Azman Nik Abdul Majid found seven cases of improper payment by government agencies involving RM38.73mil.

"The National Audit Department also found five cases of leakages concerning RM1.764bil, and six cases involving RM26.47mil, which were categorised as wasteful," she told a press conference in Parliament yesterday.

Noraini also said that the LPG (liquid petroleum gas) subsidy payments by the Finance Ministry and the Customs Department, the construction of the sports school in Perlis, as well as the education in Pagoh, would also be looked into by the PAC.

She blamed the issues to weaknesses in project planning, unorganised contract management, lack of quality control and monitoring.

Nik Azman, who was present during the press conference, said that the discrepancies occurred due to a disregard of government procedures and rules.

On the Trauma and Emergency departments at the four hospitals in the Klang Valley, he said they were under-performing.

"Even though no laws were broken, I feel that this is an important service and the PAC should call the ministry for an explanation," he said. The Audit Department, in a statement, said that from the 54 bodies audited, 14 ministries, department and statutory bodies were graded good, followed by satisfactory (five) and unsatisfactory (1).

### 13. Lax control on alien workers

KUALA LUMPUR: The Home Ministry's control on foreign workers is incompetent and could lead to fraud at the expense of government revenue, said the Auditor-General's Report 2018.

Some of its procedures and systems have not been properly implemented, added the report.

Such lax procedures were more so in quota approval, medical screening or bio-medical as well as health checks by Foreign Workers Medical Examination Monitoring Agency (Fomema).

The report also noted that there could be a possibility of fraud that cost the government revenue.

"Apart from that, the intake of foreign workers from places that are not the source countries and sub-sectors that are not allowed has affected the objectives of the intake of foreign workers," the report said.

It noted that between 2016 and 2018, some 17,520 foreign workers had passed the bio-medical tests at their source countries but failed the Fomema test here.

From that total, 7,197 foreign workers had tuberculosis and 1,752 had hepatitis B.

The remaining 8,571 had other illnesses such as HIV, diabetes and hypertension.

According to Fomema, those who suffered from tuberculosis and hepatitis B could be detected when undergoing the medical screening at their source countries.

"Fomema also said that tuberculosis could be transmitted and could lead to death.

"Based on statistics, foreign workers could be the agents to spread the disease to the locals," read the report. The report noted that the Home Ministry, in its feedback, said there could be several reasons as to why the results of the bio-medical and Fomema reports differed.

Reasons cited include a gap period between the bio-medical screening in the source country done before the arrival of the workers, and the Fomema checks done after reaching the country.

As such, the workers could pick up new infections after their bio-medical screening is done, or for some diseases, there is a window period before they can be discovered. The ministry also said there is a need to ensure that Fomema checks are done earlier, compared to the 30-day period currently practised to detect such diseases earlier.

"Health screenings at the source country is a way to reduce the probability of unfit workers entering the country.

"It cannot be denied technically that the technology, expertise and the long period to enable foreign workers to enter Malaysia could also influence the scenario.

"As an enhancing measure, the Immigration Department issued an order to all companies on May 3, 2019, to review the clinics at the source countries that constantly issue the results of these health screenings of foreign workers who fail the Fomema checks to be either revoked or blacklisted," said the Home Ministry in response to the Auditor-General's findings.

The Auditor-General also found that the Malaysia Immigration System (MyIMMs) had not updated its check-out memo (COM) data, causing the records of foreign workers who have left the country to be still active in the system.

This has caused difficulties for employers seeking replacement workers.

"The lack of standard operating procedure (SOP) to review the MyIMMS against the COM has also caused the data not to be updated," said the report.

It said that from 2016 to 2018, 12,319 of the 41,607 foreign workers who failed the Fomema test were issued COM while there was no data on the rest of the 29,288 foreign workers.

As such, it could not be determined if the 29,288 foreign workers who failed the Fomema test were still in Malaysia or were sent home.

This is also due to employers who did not update the status of their foreign workers to the Immigration Department.

The Home Ministry said that the names of workers who failed the Fomema tests were given to the Immigration Department's enforcement division.

The notification is given to employers via email and it is their responsibility to send their workers who fail the Fomema screening home within 30 days of the notification.



#### **14. Lim Guan Eng speaks at parliament, Wednesday, July 17, 2019.**

WHEN Public Accounts Committee (PAC) chairman Datuk Seri Dr Noraini Ahmad announced last Monday that "no money was missing" from the Goods and Services Tax (GST) refunds, this was seen as a slap in the face for the powerful Finance Minister, Lim Guan Eng.

In August last year, Lim told the Dewan Rakyat that RM19.4bil was "missing" from the GST tax refunds account and he accused the former Barisan Nasional government of "stealing" the people's money.

This "revelation" by Lim shocked the nation and rattled the financial markets.

Due to the seriousness of the allegation, the PAC was called in to investigate.

While Lim looked dispirited on Monday, leaders of the Barisan coalition were exuberant.

They must have felt redeemed after being suspected for months of "stealing" or "robbing" the GST refunds.

Former Prime Minister Datuk Seri Najib Razak told reporters in Parliament: "I feel vindicated by the PAC report that there was no 'robbing' or 'swindling' of GST refunds. What was done by the previous government was based on advice by government officers, including those from the Accountant-General's Department and Finance Ministry."

The long-awaited PAC report has in a way confirmed that the former government, ousted in the May 2018 general election due mainly to the 1Malaysia Development Berhad scandal, did not "steal" the GST refunds.



**Verbal war: Ismail Sabri has accused Lim of tarnishing the image of the previous Barisan government.**

The PAC also noted another factual error in Lim's past statement to Parliament.

It found that only RM1.5bil in GST refunds was due for payment to taxpayers as of May 31, 2018, and not RM19.4bil as claimed by Lim.

Expectedly, the release of the PAC report led to an explosion of fierce debates in Parliament.

Barisan lawmakers promptly pressed for action against Lim.

Opposition Leader Datuk Seri Ismail Sabri Yaakob from Umno-BN demanded that Lim be referred to the parliamentary Rights and Privileges Committee for "misleading" the House and alleging that RM19.4bil was "stolen" by the previous government.

Ismail Sabri said this was a serious matter as Lim had tarnished the image of the previous Barisan government.

Joining in the chorus for action against Lim were MPs Khairy Jamaluddin (BN-Rembau) and Datuk Seri Dr Wee Ka Siong (BN-Ayer Hitam).

The Rights and Privileges Committee deals with cases on breach of privileges. MPs enjoy the freedom to speak their mind as well as immunity from legal suits when they address the House inside the chamber.

On Tuesday, Lim reacted defiantly by saying he would "fight" the Opposition and would not apologise or retract his statements.

In a statement, he selectively quoted parts of the PAC report that were in his favour:

"The PAC confirms that the GST law was broken and GST refunds that were not paid out to taxpayers were used for other purposes (government expenditure and development).

"The GST collections were not deposited directly into the Fund for GST Refunds. Instead, the GST collections that were deposited directly in the Consolidated Revenue Account were used for other purposes by the previous government."

Lim noted that Attorney-General Tommy Thomas, in a letter to the PAC, had stated that the move by the previous government to direct all GST revenue into the Consolidated Fund account was a violation of Section 7 of the Financial Procedure Act 1957 and Section 54 of the GST Act 2014.

"This was a breach of fundamental trust law principles and trust accounting requirements," Thomas was quoted as saying in his letter.

However, the Opposition would not let Lim off the hook easily this time. The secretary-general of DAP had been bashing the Barisan ruthlessly even before he was in government.

Dr Wee, who is MCA president, told Sunday Star: "Guan Eng did not address the real contentious issue and retract his wrong allegations. He was overzealous in vilifying the previous government after he became Finance Minister.

"The crux of the matter is whether the RM19.4bil had been stolen. The current government should feel embarrassed that its Finance Minister did not understand his ministry and simply talked."

He noted that lawyer Mohamed Haniff Khatri Abdulla, who has acted as counsel for Prime Minister Tun Dr Mahathir Mohamad, shared the view that Lim should apologise.

Haniff told Malaysiakini: "There must be nobility to apologise for mistakes."

Lim had some luck on Wednesday when he escaped unscathed from a motion to refer him to the Rights and Privileges Committee.

Dewan Rakyat Speaker Datuk Seri Muhamad Ariff Md Yusoff rejected the motion.

But the Speaker's ruling that there were no grounds for action against Lim triggered a protest walkout by Opposition MPs.

A shouting match also ensued after the Speaker rejected a proposal by Tan Sri Annuar Musa (BN-Ketereh) that Lim retract the word "stolen" and to expunge the word from the Hansard.

But just as the Opposition thought they had no more bullets, there was light at the end of tunnel: they were alerted to the fact that the Speaker's son Muhamad Lutfi Muhamad Ariff is the press secretary to the Finance Minister.

If legal principles are to follow, the Speaker should not have chaired the parliamentary session on the motion on Lim, as a conflict of interest might arise and fairness in ruling may be doubted.

Established legal principle and precedents dictate that not only justice has to be done, but also must be seen to be done.

Naturally on Thursday, the Opposition pounced on the Speaker, questioning whether he was bias in his ruling on Wednesday after he admitted that his son is Lim's press secretary.

But he maintained that there was no conflict of interest involved, saying: "My son is 32, he is free to work for anyone and anywhere. More importantly, I act freely and uninfluenced in this House."

But Opposition Leader Ismail Sabri argued that Muhamad Ariff was duty-bound to declare all of his interests, including those of his spouse and children.

He said Muhamad Ariff should recuse himself from making any ruling related to Lim, as well as the motion for a debate on the PAC report on GST refunds.

The Opposition chief also asked Muhamad Ariff, a former judge, whether his son's job had resulted in his lack of action on Lim.

The exchanges came to an end after Muhamad Ariff said he would recuse himself when a fresh motion application was heard in the next parliament meeting.

Although the current parliament session has ended, it looks like this Opposition-versus-Lim tussle and verbal war will drag on into the October sitting, in which a fresh motion against Lim is expected to be submitted by the Opposition.

It will be interesting to see if other Cabinet Ministers or key politicians jump into the fray - to defend Lim or otherwise. So far, only some junior DAP politicians have voiced their support for Lim.

From the developments seen thus far, the PAC finding will continue to generate public interest and debate on Lim's conduct. It will continue to haunt him for the next few months.

## 15. MACC arrests judge for alleged corruption involving illegal immigrants



PETALING JAYA: A Kuala Kubu Baru Sessions Court judge has been detained by the Malaysian Anti-Corruption Commission (MACC) here over alleged corruption involving the release of illegal immigrants.

MACC chief commissioner Latheefa Koya confirmed the judge was arrested on Monday (July 22) evening.

"The arrest was made in connection with the previous action against a lawyer, deputy public prosecutor and several police personnel over the case.

"The investigation into the case is linked to the detention of illegal immigrants for the purpose of seeking payment for their release," she said in a statement.

She added that a sum of cash was also seized when the arrests were made.

On July 20, six police officers from the Hulu Selangor district police headquarters as well as the lawyer and DPP were detained by the MACC to assist with investigations into the case.

Earlier, Bernama reported that the remand order against the lawyer and DPP over alleged corruption involving the release of illegal immigrants has been extended for two days.

MACC deputy chief commissioner (operations) Datuk Seri Azam Baki was quoted saying that their remand was extended, while the six policemen who were detained, had been released.

#### 16. One SPAD and five JPJ officers charged with corruption

**BUTTERWORTH:** Five Road Transport Department (JPJ) officers and a Land Public Transport Commission (SPAD) officer were charged with corruption amounting to RM19,850, at the Butterworth Special Sessions Court (Corruption) here on Thursday (July 25).

The six are part of 18 people facing charges following the discovery of a lorry protection racket in Penang.

They face charges under the Malaysian Anti-Corruption Commission (MACC) Act 16 (a)(B), which provides for a jail term of up to 20 years and a fine not less than five times the amount of the bribe or RM10,000, whichever is higher, if found guilty.

The six are Muhammad Rozaidi Azmi, 36; Khairul Azri Rahman, 31; Mohd Ependi Hassan, 33; Saidatul Hanim Sabudin, 33; Mohamad Noor Ibrahim, 44; and V. Chandrasegeran, 49.

They are accused of accepting cash as an inducement not to take action against lorry drivers who had committed road offences.

Forty charges were read out to them, with Muhammad Rozaidi facing the most with 10 counts.

All six pleaded not guilty.



The bail amount was fixed at RM10,000 each for all five JPJ personnel and RM8,000 for the SPAD officer by Judge Nizam Zakaria. She set bail for each of them with one surety.

All six accused were also told to surrender their passports to the court.

The JPJ personnel were represented by lawyer Datuk Naran Singh. The SPAD officer Chandrasegeran, who has been suspended, was unrepresented.

DPP Mohamad Azlan Basri prosecuted.

They were said to have committed the offences at various banks in Seberang Prai between 2015 to 2018.

The case mention has been set for Sept 12.

**17. Jho Low insisted Najib's bank statements not be sent to PM's residence**



KUALA LUMPUR: The High Court heard that fugitive businessman Low Taek Jho, better known as Jho Low, insisted that the bank statements of Datuk Seri Najib Razak should not be sent to the former prime minister's residence on Jalan Duta.

Joanna Yu, a former relationship manager at AmBank Bhd, confirmed that Low said this in an e-mail exchange between them.

Under cross-examination by defense counsel Harvinderjit Singh, Yu agreed that Low wrote, "No, do not send statements to his house."

"Super sensitive," Low's e-mail also said.

This exchange took place in 2011, Yu confirmed.

She said Low said this in response to her request for the contact details of Najib's personal assistant.

Harvinderjit: (He also wrote) Credit card statement (must) never go to the house?

Yu: They always collected (the statements).

Harvinderjit: Jho (Low) insisted?

Yu: Yes, and the mandate holder too.

The mandate holder at that time was former SRC International chief executive officer Nik Faisal Ariff Kamil, the court had heard earlier.

Earlier, the court was told that it was Low who informed Yu that Najib wanted to open an account with Ambank. This allegedly took place around Jan 13, 2011, Yu confirmed.

Harvinderjit: Did Jho (Low) said he wanted savings and current?

Yu: We just gave both.

Harvinderjit: Did Jho (Low) tell you at that time that the reason for the account was that Najib was waiting for donations from Saudi Arabia?

Yu: I only found out later when I saw the letters.

Justice Mohd Nazlan Mohd Ghazali then adjourned the proceedings at 12.15pm as there was a bomb threat in the court building.

Trial will continue in the afternoon

**18. Court allows third-party notice on RM2.4mil allegedly linked to 1MDB**



KUALA LUMPUR (Bernama): The High Court has allowed the prosecution to gazette a notice to summon all third parties claiming any interest in the more than RM2.4mil seized from the Pahang Umno liaison committee that was allegedly linked to 1Malaysia Development Bhd (1MDB).

Judge Datuk Rozana Ali Yusof made the ruling after allowing an application by deputy public prosecutor Farah Yasmin Salleh from the Malaysian Anti-Corruption Commission (MACC), to obtain a court order to gazette a third-party notice.

"Today is set for the hearing of the application to publish a notice to third parties under Section 61(2) of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

"The prosecution also requested a two-month period to gazette the notice," she said on Friday (July 26).

Lawyer Mohd Shukri Ahmad Mansor, representing the Pahang Umno liaison committee, as the respondent, did not object and informed the court that they needed time to file an affidavit.

The court set Oct 18 for the mention.

The gazetting process of the notice was to enable the interested parties to appear before the court on a day to be decided later to provide reasons on why the assets should not be forfeited by the government.

MACC chief commissioner Latheefa Koya recently announced that the MACC had filed civil forfeiture suits against 41 individuals and entities to recover some RM270mil related to 1MDB.

Latheefa said the move was carried out in accordance with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 where the commission believed that the monies were transferred to the 41 respondents from former prime minister Datuk Seri Najib Razak's bank account.

#### **19. MACC completes probe on aide over luxury watch gift**

PUTRAJAYA: The anti-graft body is waiting for further instruction from the Attorney General's Chambers over alleged corruption involving a political aide to a Cabinet Minister.

Chief commissioner Latheefa Koya said the Malaysian Anti-Corruption Commission (MACC) had completed its investigation and submitted the papers to the AGC.

"We have completed the graft probe involving the political secretary to the Minister of Agriculture and Agro-based Industries over a luxury watch.

"The investigation papers were submitted on July 10 and we are waiting for feedback," she said yesterday.

The following day, a four-day remand order was obtained from the court, to question him over the case.

The suspect allegedly received the watch from a developer in return for his assistance in securing contracts from the ministry.

Following this, Minister Datuk Salahuddin Ayub said he would not interfere in the MACC's investigation, saying that he held firm to the principle of the rule of law.

**20. RM1.13bil transferred to Najib's accounts between 2011 and 2013, court told**



KUALA LUMPUR (Bernama): An ex-banker who handled Datuk Seri Najib Razak's accounts at AmBank told the High Court here Monday (July 29) that RM1.13bil was transferred into the former premier's accounts between 2011 and 2013.

Joanna Yu Ging Ping, 48, who was formerly an AmBank relationship manager, said Najib received US\$369.99mil in several transactions between 2011 and Jan 10, 2013.

The 54th prosecution witness said this during cross-examination by Najib's lawyer Harvinderjit Singh on the 45th day of the accused's trial for misappropriation of SRC International Sdn Bhd funds totalling RM42mil.

Harvinderjit: The total amount of foreign funds transferred into Najib's account ending in 694 is US\$369.99mil?

Harvinderjit: And the amount was equivalent to RM1.136bil?

Yu: Yes

Earlier, Yu confirmed that US\$100mil was transferred into Najib's current account ending 694 in 2011.

Harvinderjit had asked Yu to confirm that Najib's account received about US\$100mil in 2011, from two transactions of US\$10mil each, a US\$50mil transfer and a US\$30mil transfer.

Meanwhile, Yu said fugitive businessman Low Taek Jho or Jho Low played an important role in decision-making over the management of Najib's accounts.

Yu said former SRC chief executive officer Nik Faisal Ariff Kamil as mandate holder for the accounts formalised the instructions.

Harvinderjit: You said, "Jho sent me all these instructions, I tell him to tell Nik Faisal." Why were you asking Jho?

Yu: In my mind, I thought they have discussed.

Harvinderjit: The conversation is that you brief somebody that has no knowledge?

Yu: Maybe that... yup.

Harvinderjit: I suppose all these info you got from Jho and you formalise with Nik Faisal?

Yu: Yes.

Harvinderjit: Would you agree the instructions and directions come from Jho, and Nik Faisal only formalises it?

Yu: It appears so.

Najib, 66, is facing three counts of criminal breach of trust, one count of abusing his position and three counts of money laundering involving SRC funds amounting to RM42mil.

The hearing before justice Mohd Nazlan Mohd Ghazali continues.

## 21. Najib admitted RM42mil from SRC entered his accounts, court told



KUALA LUMPUR (Bernama): A lawyer told the High Court here that Datuk Seri Najib Razak, in a defamation suit against former transport minister Tun Dr Ling Liong Sik admitted that RM42mil from SRC International Sdn Bhd went into his personal bank accounts.

Ranjit Singh, who had acted for Dr Ling in that suit, said the former premier made the admission in an affidavit in response to his client's statement of defence.

The 55th prosecution witness said this during the examination-in-chief by ad-hoc prosecutor Datuk V. Sithambaram on the 45th day of Najib's trial in relation to RM42mil of SRC's funds.

When reading out Najib's affidavit, the witness said the accused admitted in a sworn affidavit that the RM42mil was from SRC.

"However, Najib also said he had no personal knowledge that the money was channelled into his accounts through two intermediaries namely, Gandingan Mentari Sdn Bhd and Ihsan Perdana Sdn Bhd."

During a function at Tunku Abdul Rahman University College in Kuala Lumpur on Oct 3, 2015, Ling said Najib was unfit to be prime minister and had called for his resignation following news reports of alleged misappropriation of public funds.

"He took people's money and put it into his accounts. How could he do that? This was the basis for my client's (Ling) opinion that Najib was unfit to be prime minister of Malaysia," testified the lawyer on Monday (July 29).

He said Najib in his affidavit in relation to the suit, replied that US\$700mil (RM2.9bil), which was also deposited into his accounts from an overseas source, was a personal donation.

The witness, however, noted that Najib withdrew his suit on May 22, 2018, weeks after the 14th General Election.

On May 22, 2018, Najib withdrew the lawsuit against Ling over the publication of an article in a news portal which alleged that the former prime minister abused funds belonging 1Malaysia Development Bhd (1MDB).

The court struck out the case without liberty to refile and also ordered Najib to pay RM25, 000 as cost.

Ranjit said Ling also withdrew his counterclaim against Najib on Dec 14, 2015, without liberty for the former MCA president to file afresh.

On Oct 27, 2015, Najib in his personal capacity sued Ling for allegedly slandering him in an article published by a news portal on Oct 3, 2015.

Najib, 66, is facing three counts of criminal breach of trust, one count of abusing his position and three counts of money laundering involving SRC International funds amounting to RM42mil.

The hearing before Justice Mohd Nazlan Mohd Ghazali continues.

## 22. 'Najib admitted to RM42mil in bank'



**KUALA LUMPUR:** The High Court was told that Datuk Seri Najib Razak had admitted, in a defamation suit, that RM42mil from SRC International Sdn Bhd went into his personal bank accounts.

Lawyer Ranjit Singh, who represented Tun Dr Ling Liong Sik in the suit, testified that Najib made the admission in an affidavit in response to his client's statement of defence.

Najib sued Dr Ling for his statement alleging the former prime minister had abused 1Malaysia Development Bhd (1MDB) funds.

Ranjit was reading out Najib's sworn affidavit during an examination-in-chief by ad hoc prosecutor Datuk V. Sithambaram on the 45th day of Najib's corruption trial here yesterday, where he is accused of misappropriating RM42mil in SRC International's funds.

The witness said his client had said Najib was unfit to be prime minister and had called for his resignation following news reports of alleged misappropriation of public funds during a function in Kuala Lumpur on Oct 3, 2015.

"He took people's money and put it into his accounts. How could he do that? This was the basis for my client's opinion that Najib was unfit to be prime minister," Ranjit said.

In relation to the defamation suit, Ranjit said Najib replied that US\$700mil (RM2.9bil), which was also deposited into his accounts from an overseas source, was a personal donation.

Ranjit however told the court that Najib withdrew his suit on May 22, 2018, weeks after the 14th General Election.

On Oct 27, 2015, Najib sued Dr Ling for allegedly slandering him in an article published by a news portal on Oct 3, 2015, claiming that he abused 1MDB funds.

The High Court struck out the case without liberty to refile and ordered Najib to pay RM25, 000 in costs.

Ranjit said Dr Ling also withdrew his counterclaim suit against Najib on Dec 14, 2015 without liberty for the former MCA president to file afresh.

The court also heard that fugitive businessman Low Taek Jho, better known as Jho Low, played an important role in managing Najib's bank accounts.

Former AmBank Bhd relationship manager Joanna Yu said former SRC International CEO Nik Faisal Ariff Kamil, who was the accounts' mandate holder, was the person who "formalised" the instructions coming from Jho Low.

The witness was cross-examined by Najib's lawyer Harvinderjit Singh.

Harvinderjit: Would you agree the instructions and directions from Jho Low and Nik Faisal only formalised it?

Yu: It appears so.

She also said that Jho Low had once asked her to destroy chequebooks relating to three Najib accounts in 2013.

The witness however said she did not do what was asked, but surrendered them to the bank's branch in Jalan Raja Chulan.

"Usually, a chequebook would be handed over to the bank to compute the stamp duty on the balance of unused cheques. So why must we destroy it?" she said.

Najib, 66, is facing three counts of criminal breach of trust, one count of abusing his position and three counts of money laundering involving SRC International funds amounting to RM42mil.

The hearing before Justice Mohd Nazlan Mohd Ghazali continues tomorrow.

