

**The Star May 2019**

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### 1. Bung Moktar and wife arrested

PUTRAJAYA: Kinabatangan MP Datuk Seri Bung Moktar Radin, who is facing three graft charges tomorrow involving almost RM3mil, has questioned the timing of his arrest with the Sandakan by-election taking place.

"Maybe it is just a coincidence. Let the rakyat in Sandakan consider the situation," he said when contacted yesterday.

Bung Moktar, who is Sabah Umno chief, is leading the Barisan Nasional campaign to support PBS in the May 11 polls.

His wife, actress Zizie Izette A Samad, 40, will also be in court to face a charge of abetting her husband.

They are expected to appear at the Kuala Lumpur Sessions Court in Jalan Duta.

Sources said the graft case in question was during Bung Moktar's tenure as Felcra chairman.

"It involves certain investments made by Felcra when he was heading the agency," a source told The Star.

He was Felcra chairman for several years but quit last year when Pakatan Harapan took over the government.

Last night, Bung Moktar was on Twitter, replying to messages sent to him.

"InshaaAllah," he answered, when someone posted that the truth would be known eventually.

"Our journey in life is decided by God. No one is exempted. The truth will emerge," he wrote.

In another posting, he said: "Let the court do its job."

When someone asked him not to switch parties, he said: "InshaaAllah," meaning "God willing".

Earlier yesterday, Bung Moktar and Zizie Izette were held for several hours by graft investigators at the Sabah Malaysian Anti-Corruption Commission office.

They were summoned there to give their statement.

Bung Moktar was arrested at 10.50am while Zizie Izette was held at 11.15am.

They were released several hours later after their statements were recorded.

Bung Moktar is Barisan's sole representative from Sabah in the Dewan Rakyat after several MPs ditched the coalition to either join other parties or form a new grouping.

## 2. Penang undersea tunnel project to continue, says Chief Minister



GEORGE TOWN (Bernama): The proposed Penang undersea tunnel project will continue and is in its final stage of feasibility study, says Chief Minister Chow Kon Yeow.

He said the state government's technical consultant, HSSI Sdn Bhd, has reviewed the study prepared by Consortium Zenith Construction Sdn Bhd (CZC).

"The review on the draft report has been forwarded to CZC this month to make necessary amendments before it is finalised and endorsed by the state government.

"The next stage of the undersea tunnel project will be decided by the state executive council, but as of now, the project is still on," he said in a question and answer session at the state legislative assembly sitting here on Friday (May 3).

He was replying to a question from Mohd Yusni Mat Piah (PAS-Penaga) who wanted to know the project's current status and the amount incurred so far.

The 7.2km tunnel project that connects Gurney Drive to Bagan Ajam in Seberang Prai is under the Penang Transport Master Plan (PTMP), a state-run initiative.

Chow, who is also Padang Kota assemblyman, said the state government has yet to make payment to CZC.

"We will only make the payment after the final draft is confirmed by the technical consultant and presented to us for approval," he said.

Answering to Mohd Yusni's question on the investigation into the project by the Malaysian Anti-Corruption Commission (MACC), he said the MACC had carried out an investigation into the project in the first quarter of 2018, and no prosecution has been made.

Chow, answering to Mohd Yusni's supplementary question on whether a public exhibition on the construction of three highways would be held for residents affected by the project, the Chief Minister said the one month public exhibition was already being held.

He said the public exhibition was held along the proposed route including Komtar building, government offices and other public places, while the undersea tunnel project has yet to reach that stage.

### 3. Bung and wife claim trial in graft case

KUALA LUMPUR: Kinabatangan MP Datuk Seri Bung Moktar Radin and his celebrity wife Datin Seri Zizie Ezette A. Samad were hauled to the Sessions Courts here to face graft charges amounting to RM2.8mil over Felcra Bhd's investment in unit trust worth RM150mil.

Both pleaded not guilty to the charges.

Earlier, Bung and Zizie arrived together at the court complex but were brought to different courts to face the charges separately.

Among those who turned up at the court complex yesterday were his party colleagues Datuk Seri Najib Razak and Datuk Seri Abdul Rahman Dahlan, who is from Sabah Umno.

The money, totalling RM2.8mil, is supposedly a reward for getting an approval from the Finance Minister II for Felcra to invest RM150mil in Public Mutual Bhd.

The offences were allegedly committed at the Public Bank in Taman Melawati on June 12 and 19, 2015.



Day in court: Bung Moktar and Zizie leaving after being charged at the Kuala Lumpur court in Jalan Duta.

The charges are framed under Section 17(a) of the Malaysian Anti-Corruption Commission (MACC) 2009.

Bung faces a maximum of 20 years in jail and a fine of no less than five times the amount of gratification or RM10,000, whichever is higher.

The 60-year-old pleaded not guilty before Sessions Court judge Rozina Ayob.

Meanwhile, Zizie also pleaded not guilty before judge Azura Alwi to three counts of abetting her husband in the offences.

She was charged under Section 28(1)(c) of the MACC Act 2009 and faces the same punishment.

DPP Datuk Umar Saifuddin Jaafar offered bail at RM100,000 each. Lawyer Datuk K. Kumaraendran, who represented Bung and Zizie, did not object.

The courts allowed bail of RM100,000 with one surety each and ordered for the couple to surrender their passports.

Their cases are fixed for mention on June 10.



4. Govt to ensure no opportunity for another 1MDB: Guan Eng



The government will ensure there is no opportunity for "another 1MDB" to rear its ugly head in the country, whether by the current leadership or any future leadership, that becomes corrupt with power.

KUALA LUMPUR: The government will ensure there is no opportunity for "another 1MDB" to rear its ugly head in the country, whether by the current leadership or any future leadership, that becomes corrupt with power.

Finance Minister Lim Guan Eng said the new government's top agenda was to restore credibility and trust in the government and in public institutions by upholding integrity and fighting corruption.

"There can be no better case study of public and corporate governance than the very scandal of 1MDB, which brought down a ruling government, which had been in power for more than 60 years.

"The outrageous abuse of power by the then Finance and Prime Minister, the scale of embezzlement and misappropriation which took place involving tens of billions of ringgit, inflicted a heavy toll on the nation, making Malaysia the global capital of kleptocracy," he said in his keynote address at the launch of the Corporate Governance (CG) Monitor 2019 here, on Monday. His speech was read by his political secretary, Tony Pua.

Lim said the government launched the National Anti-Corruption Plan (NACP) in January this year to achieve the national aspiration of making "Malaysia known for her Integrity and not corruption" and build a corrupt-free nation that upholds transparency and accountability.

Parliament has even introduced a corporate liability provision in the MACC Act, where a commercial organisation and its directors may be found liable for acts of corruption committed by any persons associated with the organisation, including its employees.

"Hence, in line with restoring the country's health and credibility, we are pleased to note that the Malaysian Code on Corporate Governance (MCCG) recommends that boards establish a Code of Conduct and Ethics which contain policies and procedures on anti-corruption," he said.

Meanwhile, Lim also called upon the Securities Commission (SC) to look into more balanced compensation for employees in well-performing companies to be included for its CG Monitor report next year.

"We should, however, not limit ourselves to just looking at the chief executive officer's remuneration. If Malaysian companies perform, the contribution of their employees should be duly rewarded.

"Compensation of employees in Malaysia as a percentage of gross domestic product (GDP) stood at only 35.2 per cent in 2017, whereas countries such as Singapore and South Korea are well above 40 per cent," he said.

He said, corporate Malaysia, needs to play its part to ensure that Malaysian workers earned a decent wage with a good work environment.

#### 5. Senior DBKL official remanded four days in RM200k bribery probe

PUTRAJAYA: A Kuala Lumpur City Hall (DBKL) senior official has been remanded for four days to assist in investigations into allegations of bribery involving RM200,000.

The suspect, who holds the position of senior deputy director of a department in DBKL, was remanded along with four civilians.

Their remand starts on Thursday (April 9) after magistrate Shah Wira Abdul Halim allowed the application of prosecutors from the Malaysian Anti-Corruption Commission (MACC).

The suspects, aged between 41 and 57, were arrested at a restaurant in Kuala Lumpur around midnight on Wednesday (May 8).

Sources said the senior officer of DBKL had received money amounting to RM200,000 from several contractors as a reward for jobs awarded to them.

The contractors were believed to have been engaged for upgrading works on the City Hall's infrastructure facilities.

MACC director of investigations Datuk Simi Abdul Ghani confirmed the arrests and that investigators are probing the case.

#### 6. Rosmah maintains not guilty plea as graft charge amended

KUALA LUMPUR: The graft charge against Datin Seri Rosmah Mansor, who is accused of receiving a RM5mil bribe over a solar hybrid system project, has been amended at the Sessions Court.

The wife of former prime minister Datuk Seri Najib Razak maintained her not guilty plea after the amended charge was read out before judge Azura Alwi here on Friday (May 10).

Earlier, DPP Datuk Mohd Dusuki Mokhtar told the court that the charge was amended as the prosecution had to amend the address where the alleged offence took place.

According to the charge sheet, Rosmah was accused of receiving a bribe of RM5mil from Jepak Holdings managing director Saidi Abang Samsudin through her aide, Datuk Rizal Mansor, at Seri Perdana Residence, Persiaran Seri Perdana, Precinct 10, Putrajaya on Dec 20, 2016.

The offence under Section 16(a)(A) of the Malaysian Anti-Corruption Commission (MACC) Act 2009 carries imprisonment of up to 20 years and a fine of no less than five times the amount of gratification or RM10,000, whichever is higher, if convicted.

The earlier charge sheet mentioned a house in Jalan Langgak Duta, Taman Duta on Dec 20, 2016, as the place where the offence allegedly took place.

Mohd Dusuki informed the court that the prosecution had applied for the case to be transferred to the High Court.

"The High Court has fixed May 28 for case management," he said.

Hearing dates are expected to be fixed then, he added.

Azura fixed June 25 for mention, pending the outcome of the High Court proceeding.

#### **7. Former officer to Tengku Adnan nabbed in Kuala Lumpur City Hall corruption probe**

PUTRAJAYA : A former officer to Datuk Seri Tengku Adnan Tengku Mansor was among five people remanded Thursday (May 9) during a probe into alleged bribery involving Kuala Lumpur City Hall.

The suspect was part of Tengku Adnan's team when he was serving as Federal Territories Minister during the previous administration.

MACC sources confirmed the man was among those arrested and remanded while investigators conduct a probe on alleged bribery involving RM200,000.

However, sources declined to reveal the officer's involvement in the case that also involved a senior City Hall official.

The suspects, aged between 41 and 57, were arrested at a restaurant in Kuala Lumpur.

Sources said the senior City Hall officer had received money amounting to RM200,000 from several contractors as a reward for jobs awarded to them.

The contractors were believed

**8. Ex-Perhilitan officer fails to strike out false claims conviction**



KUANTAN: A former Department of Wildlife and National Parks Peninsular Malaysia (Perhilitan) officer failed to set aside his four-year jail sentence and RM117,000 fine for submitting false claims over the purchase of backpacks six years ago.

The High Court here dismissed Abu Zahrim Ismail's appeal against the conviction and sentence imposed by the Sessions Court here on Aug 27 last year, and ordered him to serve his prison sentence from yesterday.

Judge Datuk Zainal Azman Ab Aziz said the accused's appeal lacked merit to set aside the sentence.

"In this case, the court finds that payment had been made but the supply (of goods) was not received.

The judge also asked Abu Zahrim's counsel Datuk Hanif Hassan to put in a formal application for a stay of the sentence after the court was told his client would be appealing yesterday's ruling.

The Malaysian Anti-Corruption Commission (MACC), represented by deputy public prosecutor Mohamad Fadhly Mohd Zamry, appeared for the prosecution.

On Aug 27 last year, Sessions Court judge Dazuki Ali ruled that Abu Zahrim was guilty of submitting false claims over the purchase of 28 units of Deuter 75-litre bags, and 60 units of Dry Pack 30-litre bags.

He was accused of deceiving his director-general over the supply of the backpacks worth RM23,400 using the company name Baraplas Kreatif Enterprise at the Taman Negara Perhilitan Enforcement Office in Jerantut on Nov 28, 2013.

Abu Zahrim was charged under Section 18 of the MACC Act, and sentenced under Section 24 of the same Act that carries a maximum sentence of 20 years' imprisonment and RM10,000 fine or a fine of five times the amount of corruption, upon conviction.

**9. All documents in Isa Samad's case handed over to defence**



KUALA LUMPUR (Bernama): The prosecution has handed over all documents, including the remaining three, in the corruption and CBT case involving former Felda chairman Tan Sri Mohd Isa Abdul Samad to the defence, the High Court here has been told.

Deputy public prosecutor Allan Suman Pillai informed judge Mohd Nazlan Mohd Ghazali of this when the matter came up for case management on Monday (May 13).

"Today has been set for handing over of the remaining three documents as required under Section 51A of the Criminal Procedure Code.

"The prosecution has handed over the documents to the defence counsel this morning," he said and requested for a date for the next case management, possibly on Aug 30, for the prosecution and defence to prepare for the trial.

Mohd Isa is facing one count of criminal breach of trust (CBT) and nine counts of corruption totalling over RM3mil.

Last April 11, Pillai informed the court that the prosecution had handed over all documents on the case, except three which were still incomplete, to the defence.

On the CBT charge, Mohd Isa was charged, as director of Felda Investment Corporation Sdn Bhd and trusted with the company fund, with committing CBT by approving a proposal for the purchase



of Merdeka Palace Hotel and Suites in Kuching, Sarawak, for RM160mil without the approval of the Felda board of directors.

His action was contrary to the decision of the Felda board of directors at its meeting of No 303 dated June 25, 2013, that was made in respect of the implementation of the trust in which members of the Felda board of directors had given their mandate to members of the FIC Sdn Bhd board of directors to make decisions on investments involving projects valued at RM100mil and below.

He was charged with committing the offence at Level 50, Menara Felda, Platinum Park, No 11, Persiaran KLCC near here on April 29, 2014.

The charge was framed under Section 409 of the Penal Code, which provides for imprisonment up to 20 years, whipping and fine, if found guilty.

On the corruption charges, Mohd Isa was charged with dishonestly receiving gratification for himself, in cash totalling RM3,090,000, from Ikhwan Zaidel, who is a board member of *Gegasan Abadi Properties Sdn Bhd*, through one Muhammad Zahid Md Arip, as gratification for helping to approve the purchase of the Merdeka Palace Hotel and Suites by FIC Sdn Bhd, for RM160mil.

All the offences were allegedly committed at Level 49, Menara Felda, Platinum Park, No 11, Persiaran KLCC near here between July 21, 2014, and Dec 11, 2015.

The charges were made under Section 16(a)(A) of the Malaysian Anti-Corruption Commission (MACC) Act 2009, punishable under Section 24(1) of the same law, which provides a jail term of not exceeding 20 years and a fine of at least five times the bribe amount, or RM10,000, whichever is higher, upon conviction.

**10. Senior official remanded for four more days for allegedly accepting RM200k bribe**

PUTRAJAYA : It's another four days of remand for a Kuala Lumpur City Hall senior official who allegedly received RM200,000.

The senior deputy director of a department in City Hall will be held until May 16 after magistrate Shah Wira Abdul Halim allowed an extension request by the MACC.

He and four others were earlier remanded on May 9 after investigators rounded them up for questioning.

Aside from the official, two other men who are contractors also had their remand order extended.

According to the MACC, the senior officer had received money amounting to RM200,000 from several contractors as a reward for jobs awarded to them.

The contractors were believed to have been engaged for upgrading works on City Hall's infrastructure facilities.

**11. Datuk CEO, CFO arrested for graft over RM17mil military project**

**PUTRAJAYA:** A chief executive officer and the company's chief financial officer have been arrested for suspicion of receiving money over a project worth RM17mil to supply equipment for military vehicles.

The 45-year-old Datuk, and the CFO, a 53-year-old woman, were arrested at the Malaysian Anti-Corruption Commission (MACC) headquarters on Sunday (May 12) night when they were called to give their statements.

The MACC requested that they be remanded and magistrate Shah Wira Abdul Halim allowed the duo to be held for four days beginning Monday (May 13).

According to sources, the company CEO and the CFO were believed to have accepted bribes amounting to several hundred thousands of ringgit from several companies.

MACC deputy chief commissioner (operations) Datuk Seri Azam Baki confirmed the arrests.

He said investigators seized RM100,000 in cash and confiscated documents in relation to the project.

## 12. More face questioning over armoured vehicles



**Military hardware: The AV8 is a multi-role wheeled armoured vehicle.**

PUTRAJAYA: Graft investigators are to question more people in a further probe into alleged bribery in awarding projects to supply equipment for military armoured vehicles valued at RM17mil.

Investigators are not discounting more arrests as they delve deeper into the case, following the arrests and remand of two company officials who they believed had accepted bribes to approve the projects.

The two are the company's chief executive officer as well as its chief financial officer who were arrested at the Malaysian Anti Corruption Commission headquarters when they were ordered to be present to have their statement recorded.

The 45-year-old CEO was arrested at 10pm on Sunday while the CFO, a 53-year-old woman, was detained later at 11.50pm on the same day.

The AV8 is a multi-role wheeled armoured vehicle while the Adnan is an armoured carrier vehicle.

The two company officials are now under remand after MACC's request to detain them was granted by magistrate Shah Wira Abdul Halim.

They will be held for four days until May 16.

MACC deputy chief commissioner (operations) Datuk Seri Azam Baki confirmed the arrests and remand of the company's two top officials.

**13. More than RM150mil to be allocated for youth programmes, says Dr M**

BANGI: More than RM150mil will be allocated to develop the Youth Power programme, including sports and recreation facilities for the youth, says Prime Minister Tun Dr Mahathir Mohamad.

"I have been informed the Youth and Sports Ministry will spur several new initiatives to champion the youth.

"The Youth Power Club will be a platform to unify all youth and sports movements to help our youth to focus on community activities, while training them as leaders at the grassroots level.

"For this, more than RM50mil will be set aside in 2019 and 2020 for the implementation of the Youth Power programme," he announced during his speech at the National Youth Day 2019 celebration at

He said the allocation includes RM7.4mil to set up Youth Power clubs in 222 Parliament constituencies nationwide.

He said registered youth organisations would be able to apply for grants under the programme, including youth organisations that had previously not received any government assistance.

Dr Mahathir also announced RM100mil under a special fund next year to develop sport and recreational facilities for the rural youth.

"This will widen the access to sport and recreation facilities to all our youths," he said, adding that the projects would be jointly developed with the private sector.

The Prime Minister also announced the government had agreed to appoint a youth as a senator in Dewan Negara.

He added the appointment will be made soon, and it will be a youth who is qualified and has vast experience on youth-related issues.

Earlier in his speech, Dr Mahathir paid tribute to the nation's youngsters for being bold to vote for change in the general election last year.

"Adults and senior citizens would not have been able to make that change on their own; without the support and drive of the youths," he said.

Also present were Tun Dr Siti Hasmah Mohd Ali, Youth and Sports Minister Syed Saddiq Syed Abdul Rahman and Malaysian Youth Council president Jufitri Johar.

Dr Mahathir later presented the National Youth Awards to recipients.

The National Youth Award 2018 (special category) was presented to Mohd Redha Rozlan, who won the Ninja Challenge League in Perth, Australia, last year.

Dr Siti Khayriyyah Mohd Hanafiah was also conferred the award for winning the FameLab International Championship for her research in the use of antibody antigens to diagnose tuberculosis.

Both recipients of the special category award also received RM10,000.

The National Youth Award 2019 (special category) was presented to Azzrulkhan Hasrullah Matsah, who had scaled 30 hills and mountains in the country, including reaching the Mount Everest main base camp despite suffering from polio.

Winner of the 2019 International Tilawah Al-Quran event, Nor Farhatul Fairuzag Panut, was also presented with the award.

Both recipients of the special category award also received RM10,000.

Persatuan Belia Setia Pakat was presented with the National Youth Award 2018 (youth organisation category) and RM50,000.

The National Youth Award 2019 (youth organisation category) and RM50,000 was presented to Pertubuhan Beia Beliawanis Bukit Kuda.

**14. Land swap: EPU did not terminate contract of Brigade Complex contractor, despite advice**



PETALING JAYA: The Economic Planning Unit (EPU) was taken to task for disregarding the Defence Ministry's repeated request over the years to terminate the contract of a "slow coach" contractor involved in a proposed construction of the RM256mil Skudai 7 Brigade Complex in Pulai, Johor.

Now, 21 years later, the project on a sprawling 219ha plot was left abandoned, and the army was "squatting" on two plots of exchanged land where the title deeds had already been transferred to the contractor.

These are among the findings submitted by the Governance, Procurement and Investigating Committee (GPIC), headed by former auditor-general Tan Sri Ambrin Buang over the controversial land swap deals.

The committee noted that the authorities had four years ago hauled the contractor to court for failing to deliver the project, despite having the deadline extended several times upon appeal.

The Defence Ministry was advised to put a caveat on the lots housing Kem Tebrau (124ha) and Kem Penggawa Timur Plentong (28ha), pending court ruling.

The contractor had failed to deliver the complex after inking an agreement with the relevant

authorities in 1997.

The army camps would have been relocated to the new site in Skudai 17 years ago, if the project was completed according to deadline.

"It was unfortunate that the Land Bond and the Performance Bond were not extended to secure and protect government interest," the committee noted.

According to the agreement, the Final Drawing and Final Costing of the project should be finalised within three months after inking the agreement on July 10, 1997, but it was not finalised even after two years.

The contractor had in 1999 informed the EPU that the Ministry had pushed for amendments to the design several times, thus causing the initial delay.

Noting that the project was only 18.72% completed in 2004, the committee said the contractor was also slow in delivering other projects.

"The same contractor was awarded another contract to build an army camp costing RM66mil in 1997. The project should have been completed within 36 months. But it was only completed 11 years and 10 months later in September 2008.

"Its subsidiary was awarded another construction project costing RM291mil. The project should have been completed within one year. But it took five years and eight months," it said.

Noting the poor track record, the investigating committee said the contractor was awarded several government projects despite late delivery and failure to deliver.

"The company did not have the financial capability and experience to carry out large scale projects," the committee noted.

It called on the authorities to blacklist the errant contractor.

In another report released on Thursday (May 16), the committee noted that it was not necessary to swap land in return to build 60 units of army housing project worth RM10.99mil in Cameron Highlands.

They said the units could be built using government allocations, without having to let go of army land that could be used for other projects in the future.



They were referring to the army houses built at Kem Slim in Tanah Rata, Cameron Highland, swapping two plots of military land in Brinchang.

Initially, in 1995 the Defence Ministry had proposed to build a high altitude training centre on a 35ha plot in Kem Berinchang, but the project was taken off the list in 2001.

In 2009, a company wrote to then prime minister and finance minister Datuk Seri Najib Razak proposing to buy two plots of military land in Brinchang at RM45.2mil and in return, it would build housing units for the army.

In 2015, the Public-Private Committee (JKAS) proposed to the Cabinet to increase the value of land by 30% to RM136.2mil because the land size was increased from 34ha to 39ha, and the leasehold period was reduced from 988 years to 99 years.

"Of the RM136.2mil sales of land, RM10.99mil would be used to finance the army housing project, and the remaining amount transferred to Kumpulan Wang Disatukan (KWD)," it said.

It noted that the project was completed in 2017 after a delay of 225 days.

However, the contractor was not at fault as the delay was caused by technical issues.

The army housing scheme, comprising an apartment block and a two-storey bungalow, was completed in September 2017 and occupied in January last year.

**15. Hisham says will submit report over 16 land swap deals to MACC**

PUTRAJAYA: Former defence minister Datuk Seri Hishammuddin Hussein says he will submit a report to the anti-graft agency to ensure that the questionable 16 land swap deals can be thoroughly investigated.

"Whatever information that we have, we will send it directly to the Malaysian Anti-Corruption Commission (MACC) to help in their investigation, and for them to act without any fear or favour," he said.

Hishammuddin also said he welcomed the move by the Defence Ministry to report to the authorities on the land swap deals, which he claimed had been approved by the Cabinet since 1995.

Hishammuddin, who is Sembrong MP, pointed out that the report by governance, procurement and finance investigating committee (GPFIC) stated that seven of the 16 deals had not been signed.

"If the ministry is really against the deals, I suggest that they do not proceed with it," he said in a statement on Thursday (May 16).

While questioning how the committee had come up with the RM500mil losses, Hishammuddin said a "far more serious issue" was the land swap involving 382.16 acres in Plentong and Tebrau in Johor, which was approved by the Cabinet in 1996.

However, according to him, the agreement was cancelled.

He said on Nov 2, 2015, the ministry had initiated a writ of summons and filed a statement of claim against the company at the Kuala Lumpur High Court.

When the company failed to adhere to the agreement in February 2017, Hishammuddin had ordered for a second summons to be filed against the company, seeking a compensation of RM1.48bil.

"The government should do a follow up on this and demand for RM1.48bil from the company for a failed project," he said, without stating which project.

Hishammuddin said that throughout his service at Mindef, he had always placed the interests of the Armed Forces as priority.

"If it is true that the land swap mechanism does not bring any benefit to the Armed Forces, then the new leadership should look for alternatives that is effective and cost saving," he said.

**16. Court sets July 8 to hear MACC's application to strike out ex-spy chief's originating summons**



KUALA LUMPUR (Bernama): The High Court has fixed July 8 to hear the Malaysian Anti-Corruption Commission (MACC)'s application to strike out an originating summons filed by Malaysia External Intelligence Organisation (MEIO) former director-general Datuk Hasanah Abdul Hamid (*pic*).

Hasanah is challenging the MACC's action to freeze her bank account in September last year.

Deputy public prosecutor Muhamad Iskandar Ahmad who is representing MACC told reporters on Friday (May 17) after case management in chambers before Justice Datuk Mohd Sofian Abd Razak that the application was filed on April 19.

Meanwhile, Hasanah's lawyer Datuk Shaharudin Ali said the court set the same date (July 8) to hear the originating summons.

"This is about the people's salary account, not 1Malaysia Development Berhad (1MDB)'s account and not the account of 1MDB's subsidiary and not a secret account. This is the salary account through which she was paid by the government."

On that basis, he said his client's summons was justified.

Hasanah, 61, filed the summons on March 28 this year and named MACC and the Malaysian government as first and second respondents.

She is seeking a declaration that the freezing order on her bank account dated Sept 3, 2018 was null and void.

She is further seeking a declaration that the order, under Section 37(1) of the MACC Act, was contrary to or inconsistent with the Federal Constitution.

In her affidavit in support, Hasanah claimed the MACC never informed her of the order while she was being remanded from Aug 29, 2018 until Sept 3, 2018.

She said after failing to make a banking transaction on Sept 4, 2018, she contacted the MACC investigating officer who told her that her account was temporarily frozen, a normal procedure by the MACC.

Hasanah said she sent five letters to the MACC between Oct 9 and Dec 18, 2018 for the freeze to be lifted.

She claimed she had no other source of income and depended fully on her pension which is channelled to her account.

On Oct 25, 2018, Hasanah claimed trial to criminal breach of trust involving US\$12.1mil (RM50.4mil).

**17. Najib's SRC trial: Highlights this week (May 14-17)**

KUALA LUMPUR (Bernama): The trial of former prime minister Datuk Seri Najib Razak, who is facing seven charges involving SRC International Sdn Bhd's funds totalling RM42mil entered its 18th day on May 15.

The following are highlights of the case and quotes of witnesses during the trial this week before High Court Judge Mohd Nazlan Mohd Ghazali.

**May 14 (Tuesday):**

Retirement Fund Incorporated (KWAP) vice-president (Legal and Secretarial Department) Azlida Mazni Arshad testified that some concerns were raised by KWAP investment panel members over the RM2bil loan requested by SRC International, a subsidiary of 1Malaysia Development Bhd (1MDB).

Among the six concerns was that the RM2bil loan proposal was too large for a company with a paid-up capital of RM2.

"The panel also raised concern over the capability and credibility of SRC's management team to venture into the natural resources industry that requires high skills," she said.

The 35th prosecution witness said the investment panel was aware of the risks associated with the proposed investment for KWAP, particularly on risk of payment, "over-concentration", country and industry.

**May 15 (Wednesday):**

The High Court was told that Ihsan Perdana Sdn Bhd (IPSB) transferred RM42mil into two of Najib's personal accounts without knowing that the accounts belonged to the former prime minister.

The company's managing director Dr Shamsul Anwar Sulaiman said Najib had never contacted him regarding the payment of RM27mil and RM5mil on Dec 26, 2014 and RM10mil on Feb 9, 2015.

"If I had known AmPrivate Banking-MY (account number 211202201880) belonged to Datuk Seri Najib Razak, I would not have made the payment of RM27mil," he said when reading out his witness statement on the 18th day of Najib's trial for alleged misappropriation of SRC International funds totalling RM42mil.

The 37th prosecution witness said he would not have deposited RM5mil in Najib's account numbering 2112022011906 and RM10mil into 211202201880 for the same reason.

He said IPSB had never made payment for corporate social responsibility (CSR) programmes to Najib's accounts and was uncertain whether the payment was for CSR purposes.

The witness reiterated that the RM42mil transfer was made because he was directed by Ung Su Ling (Yayasan Rakyat 1Malaysia or YR1M chief executive officer) and Dennis See (YR1M project director) where Ung and See instructed him to transfer the funds to the two accounts although he did not know who the owner was.

Dr Shamsul Anwar testified he only knew that the RM42mil was owned by SRC through Gandingan Mentari Sdn Bhd, a subsidiary of SRC, when he read articles posted on the Wall Street Journal website, while he was in Belgium between July 1 and 2, 2015.

He said he contacted Nik Faisal Ariff Kamil (SRC director) to ask about the RM42mil and he confirmed that SRC had transferred the money to the IPSB account through Gandingan Mentari.

Dr Shamsul Anwar, 58, said the IPSB account was also used to deposit a certain sum of funds in transit before being transferred to another account.

IPSB is a subsidiary that manages CSR programmes for SRC.

Former IPSB senior account executive Aishah Ghazali, 37, as the 36th prosecution witness, confirmed that three transactions on the deposit of RM42mil from IPSB were made into two AmIslamic Bank Bhd accounts belonging to Najib.

#### **May 17 (Friday):**

Ad hoc prosecutor Datuk V. Sithambaram told the High Court that the prosecution has completed 30% of its case and the court is expected to hear testimonies from 40 other prosecution witnesses.

To date, the prosecution has called 37 witnesses to testify in the trial that has been adjourned to May 28.

The court has fixed 39 days for the trial to recommence from May 28 to 29; June 10 to 14; June 17 to 21; July 1 to 3; and July 8 to Aug 15.

**18. Datuk, 56, remanded four days over armoured vehicles probe**

PUTRAJAYA: A Datuk has been remanded in connection with questionable dealings over the supply of equipment for military armoured vehicles.

The suspect, who is a former top official of a company responsible in awarding the contract, will be held for four days beginning Wednesday (May 22).

Magistrate Siti Roslizawati Mohd Zanin allowed Malaysian Anti-Corruption Commission (MACC) prosecutors' application to detain the suspect while they pursued the case.

The 56-year-old was arrested at the MACC headquarters at 10.40pm on Tuesday (May 21).

Sources said the man was being investigated for working with his then-chief executive officer who allegedly accepted money in return for contracts to supply equipment for the Armed Forces' armoured vehicles - the AV8 and Adnan carriers.

The AV8 is a multi-role wheeled armoured vehicle, while the Adnan is an armoured vehicle carrier.

The CEO and the company's chief financial officer were among three others who were earlier remanded over the case.

Another person remanded was the owner of a company, who allegedly "paid" to secure the supply contract.

The project in question is said to be worth RM17mil.



**19. Ex-Goldman banker Roger Ng unlikely to get plea deal in 1MDB case**



NEW YORK (Reuters): Former Goldman Sachs Group Inc banker Roger Ng is unlikely to get a plea deal this week on criminal charges linked to a multibillion-dollar scandal at the Malaysian state investment fund 1MDB, both sides told Reuters on Thursday (May 23).

Plea negotiations are not yet on the agenda, a lawyer for Ng and a spokesman for the US Department of Justice said. Instead, they plan to only discuss scheduling for case proceedings at a Brooklyn federal court.

Prosecutors and Ng's lawyer, in a May 6 court document related to the case, requested delaying the trial date for Ng because they believed plea negotiations "are likely to result in a disposition of this case without trial".

The US Department of Justice accused 46-year-old Ng last year of conspiring to launder money and bribe government officials in Malaysia and Abu Dhabi through bond offerings that Goldman Sachs handled.

He was extradited on May 3 to New York from Kuala Lumpur, where he had been jailed since November.

Ng pleaded not guilty to the charges on May 6 and was released in exchange for a US\$20mil bond.

Government lawyers have said they hope to avoid a trial by reaching a plea deal, though Ng's attorney, Marc Agnifilo said this month it was too early to tell.

Ng, who left Goldman Sachs in 2014, faces up to 30 years in prison if convicted of the three charges based on alleged violations of the US Foreign Corrupt Practices Act.

Malaysia's Home Minister wanted Ng to face criminal charges there first, but agreed to temporarily surrender him to the United States for 10 months, according to Malaysia's Attorney General Tommy Thomas in a statement.

The period may be extended, Thomas has said.

The 1MDB case has shaken Goldman Sachs, which is also being probed by the Justice Department for its role as underwriter and arranger for some US\$6.5bil worth of 1MDB bond offerings.

Prosecutors estimated that high-level 1MDB fund officials and their associates misappropriated US\$4.5bil between 2009 and 2014, including some of the funds that Goldman Sachs helped raise.

Goldman Sachs has consistently denied wrongdoing and said certain members of the former Malaysian government and 1MDB lied to it about how the bond proceeds would be used.

Ng was charged in Kuala Lumpur with four counts of abetting the bank to provide misleading statements in the offering prospectus for 1MDB bond sales.

Tim Leissner, another former Goldman Sachs banker, and Malaysian financier Low Taek Jho have also been charged in the United States over 1MDB. Leissner has pleaded guilty.

Low, whose whereabouts are unknown, has consistently denied wrongdoing through spokesmen.

Malaysia has said it was seeking up to US\$7.5bil in reparations from Goldman over its dealings with 1MDB, set up in 2009 by then-prime minister Datuk Seri Najib Razak.

Najib, who lost a general election last year, faces 42 criminal charges related to losses at 1MDB and other state entities. He has pleaded not guilty.

**20. SRC's loan application included 'agree' in handwritten note from Najib, ex-KWAP CEO tells court**

KUALA LUMPUR: An application letter by SRC International Sdn Bhd for a RM3.95bil loan did not follow Retirement Fund Incorporated's (KWAP) procedural requirements and included a handwritten note from Datuk Seri Naji Razak saying he agreed with the suggestion, the High Court heard.

Former KWAP CEO Datuk Azian Mohd Noh testified that the letter dated June 3, 2011, was signed by SRC International director Nik Faisal Ariff Kamil, addressed to the then-prime minister Datuk Seri Najib Razak.

According to KWAP's loan policy, applicants must address applications to KWAP directly along with supporting documents or loan proposals.

Azian said she received the letter by hand from Najib's special officer, the late Datuk Seri Azlin Alias, whom she had known for two years, at a hotel lobby in KL Sentral after office hours.

The witness was testifying in Najib's graft trial involving alleged misappropriation of RM42mil in SRC International funds here Tuesday (May 28).

To a question by DPP Datuk Ishak Mohd Yusoff, Azian said it was uncommon for her to meet Azlin after office hours.

"This was the first time," she said.

She further said that the letter had a side note handwritten by Najib, which was meant for her as KWAP CEO that read "bersetuju dengan cadangan ini (agree with this suggestion)".

"To my understanding, this means that the (former) prime minister agreed for KWAP to give out a loan to SRC International," she said.

DPP Ishak: The application did not follow KWAP's loan policy?

Azian: Yes, this letter did not meet the requirement for this procedure.

The witness said it was impossible for her to scrutinise the content of the letter in detail as the meeting was held at night.

She said she took the letter to the KWAP chairperson the next day.

The hearing continues before Justice Mohd Nazlan Mohd Ghazali on Wednesday (May 29).

## 21,     **MACC to quiz Zahid and Hisham after Raya**

PUTRAJAYA: Former defence ministers Datuk Seri Dr Ahmad Zahid Hamidi and Datuk Seri Hishammuddin Hussein are expected to be called in by the Malaysian Anti-Corruption Commission (MACC) after Hari Raya for questioning over land swap deals involving the Defence Ministry (Mindef).

It is learnt that investigators, who had received the remainder of 16 reports about two weeks ago, want some time to study the cases.

MACC sources said the investigation would commence after the Hari Raya Aidilfitri festivities and other individuals, besides Ahmad Zahid and Hishammuddin, would be called in for questioning.

"The officers are still going through the documents and Hari Raya is next week. Let's wait after that before we begin investigations," a source told *The Star*.

"Anyone who can help us in the probe can and will be called," added the source.

Najib, the former prime minister, and Ahmad Zahid had earlier said that they were ready to be investigated.

On May 17, Mindef handed over 14 reports pertaining to the alleged dubious land swap, after surrendering two reports earlier.

The reports were findings of the Governance, Procurement and Finance Investigating Committee which investigated 16 deals involving 1,183ha of land belonging to the Mindef.

Besides the land value, the cost of the projects was estimated at RM4.88bil.

Findings on one of the audit reports stated that a former prime minister and former defence ministers were found to be clearly involved in the land swap deal for the development of the Muara Tuang and Penrissen camps in Sarawak.

Najib was prime minister while Ahmad Zahid was defence minister then.