

BMF-WHITE PAPER

84  
KUALA LUMPUR, JAN. 11 (BERNAMA)-- THE PRIME MINISTER ANNOUNCED TODAY THE GOVERNMENT WILL ISSUE A WHITE PAPER ON THE CONTROVERSIAL BUMIPUTRAMALAYSIA FINANCE LTD'S (BMF) LOAN AFFAIRS IN HONG KONG AT THE END OF A PROBE BY A THREE-MAN COMMITTEE OF ENQUIRY WHICH HAS BEEN APPOINTED.

(DATUK SERI DR MAHATHIR MOHAMAD) TOLD A PRESS CONFERENCE AT HIS OFFICE HERE THAT THE COMMITTEE, APPOINTED BY THE BOARD OF BANK BUMIPUTRA, BMF'S PARENT COMPANY, WOULD BE HEADED BY AUDITOR-GENERAL TAN SRI AHMAD NOORDIN ZAKARIA.

THE OTHER MEMBERS ARE ENCIK RAMLI IBRAHIM, A SENIOR PARTNER OF A LOCAL ACCOUNTING FIRM, -AND ENCIK CHOO IMAN SOW, A LAWYER.

THE MINISTER SAID THAT IN VIEW OF THE ENORMOUS TASK WHICH THE COMMITTEE WOULD UNDERTAKE BOTH HERE AND IN HONG KONG TO GET TO THE ROOT OF THE AFFAIRS? NO TIME FRAME HAD BEEN FIXED FOR IT TO COMPLETE ITS WORK.

THE COMMITTEE HAS BEEN GIVEN AN EXTENSIVE TERMS OF REFERENCE UNDER WHICH TO CARRY OUT ITS INVESTIGATIONS INTO THE BAD LOANS WHICH HAD BEEN ESTIMATED AT WELL OVER 81.7 BILLION TO THREE PROPERTY GROUPS IN THE COLONY.

-- MORE 1747/OM

BMF - WHITE PAPER 2 KUALA LUMPUR

BMF IS THE BIGGEST CREDITOR OF CARRIAN INVESTMENT WHICH IS NOW UNDEK LIQUIDATION. THE GROUP IS OWNED BY GEORGE TAN WHICH IS FACING SEVERAL CHARGES IN HONG KONG OF FALSE ACCOUNTING AND MAKING A FALSE STATEMENT TO DECEIVE MEMBERS AND CREDITORS.

IT ALSO LENT MASSIVE SUMS TO EDA INVESTMENT AND KEVIN HSU PROPERTY GROUP.

HOWEVER, THE COMMITTEE'S PROBE WOULD COVER LOANS ONLY TO THE CARRIAN GROUP OF COMPANIES AND COMPANIES ASSOCIATED WITH GEORGE TAN AND THE EDA INVESTMENT LTD.

DATUK SERI DR MAHATHIR SAID THAT THE WHITE PAPER WHOSE AND RECOMMENDATIONS WOULD FORM THE BASIS TO DETERMINE ANY CIVIL OR CRIMINAL PROCEEDINGS AGAINST THOSE INVOLVED, WOULD BE MADE PUBLIC.

SCORES OF LOCAL AND FOREIGN JOURNALISTS ATTENDED THE PRESS CONFERENCE. ALSO PRESENT WERE FINANCE MINISTER TENGGU RAZALEIGH HAMZAH, BANK NEGARA GOVERNOR TAN SRI ABDUL AZIZ TAHA AND BANK BUMIPUTRA CHAIRMAN DR. NAWAWI MAT AWIN, WHOM THE PRIME MINISTER ASKED TO REPLY TO MANY OF THE QUESTIONS FROM THE PRESS.

-- MO RF 1841:OM

BMF-WHITE PAPER '3 KUALALUMPUR

DR. NAWAWI CONFIRMED THAT THREE BANK BUMIPUTRA TOP OFFICIALS HAD RESIGNED FOLLOWING THE DISCLOSURE BY THE PRIME MINISTER LAST OCTOBER THAT THEY AND THE FORMER BANK BUMIPUTRA CHAIRMAN TAN SRI KAMARUL ARIFFIN HAD RECEIVED \$1.1 MILLION CONSULTANCY FEES IN CONNECTION WITH BMF LOAN5 TO CARRSAN.

THEY WERE BMF CHAIRMAN ENCIK LORRAINE ESME OSMAN, BMF DIRECTOR DATUKHASHIM SHAMSUDDIN AND DR. RAIS SANIMAN, THEN HEAD OF INTERNATIONAL BANKING IN BANK BUMIPUTRA.

TAN SRI KAMARUL ARIFFIN LEFT THE BANK IN MARCH 1982.

DR. NAWAWI ALSO SAID THAT TWO OF THE EX-BANK BUMIPUTRA OFFICIALS HAD OFFERED TO REFUND THE CONSULTANCY FEES RECEIVED BY THEM AND +WE ARE IN THE PROCESS OF COLLECTING THEM.\*

HE SAID THAT BMF GENERAL MANAGER ENCIK IBRAHIM JAAFAR HAD NOT RESIGNED.

+BANK BUMIPUTRA HAS NO KNOWLEDGE THAT HE HAS RECEIVED ANY CONSULTANCY FEES,+ HE ADDED. -- MORE 1859/OM

BMF-WHITE PAPERS 4 KUALA LUMPUR

ON MEMBERS OF THE PROBE TEAM, THE PRIME MINISTER SAID THAT THEY WERE MEN OF UNQUESTIONABLE INTEGRITY AND HAD NO CONNECTIONS WHATSOEVER WITH BANK BUMIPUTRA OR BMF.

ACTIONS WERE ALSO BEING TAKEN AT THE OFFICIAL LEVEL TO GET THE NECESSARY ASSISTANCE FROM THE HONGKONG AUTHORITIES TO FACILITATE THE COMMITTEE'S WORK.

ASKED IF LEGAL COMPLICATIONS MIGHT RESULT IN NON-COOPERATION TO THE COMMITTEE FROM THE EX-BMF OFFICIALS, THE PRIME MINISTER SAID HE DID NOT FORESEE THE PROBLEMS TO OCCUR IN MALAYSIA.

+THE WHITE PAPER WE WILL ISSUE WILL CONTAIN THE ESSENCE OF THE COMMITTEE'S INVESTIGATIONS INTO THE BMF AFFAIRS,+ HE ADDED.  
-- BERNAMA 1915/OM