

# Suit over article on purported bid to sell Limbang

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# Review to say sorry to PM

By Zaharah Aziz

KUALA LUMPUR, Fri. — The Far Eastern Economic Review Ltd of Hong Kong and its former editor Derek Davies today agreed in an out-of-court settlement to apologise to Prime Minister Datuk Seri Dr Mahathir Mohamad for the publication of an article on a purported attempt to sell Limbang in Sarawak to Brunei.

Dr Mahathir had filed a libel suit against the two defendants on Aug 11, 1987, over the article which appeared on the May 21, 1987, issue of the magazine.

The article, on page 11, claimed that Dr Mahathir had discussed the possible sale of Limbang in Sarawak's Fifth Division to Brunei for a starting price of US\$6 billion (about \$16 billion) during his visit to the oil-rich Sultanate in March that year.

This morning, the terms of settlement were recorded before High Court judge Mr Justice Lim Beng Choon.

The parties agreed that the defendants would publish a retraction and apology in the *Review* published in the week after the terms of the recording of the settlement. The retraction and apology is to be published as prominently as the article.

The text to be published under the heading: "Retraction and Apology" are as follows:

"On 21st May, 1987, our intelligence column in an item entitled 'Sarawak Sale?' reported that the Prime Minister of Malaysia on a visit to Brunei discussed with the Government of Brunei a possible

sale of the territory known as Limbang which is part of the Malaysian State of Sarawak.

"The item asserted that this was the main reason for his visit rather than the stated purpose of improving transportation links.

"The said report was unfounded and we acknowledge that the Prime Minister never contemplated the sale of any part of the Federation of Malaysia to Brunei or any other foreign State.

"The *Review* unreservedly retracts any imputation defamatory of his character and the office he holds arising out of this report and apologises to the Prime Minister for any distress and embarrassment caused to him personally and to the Government of Malaysia."

The parties also agreed to two other terms — that there would be no order as to damages and that the defendants pay the plaintiff a sum of \$50,000 as agreed costs.

Attorney-General Tan Sri Abu Talib Othman said Dr Mahathir was magnanimous not to claim damages over the case and so there was no order pertaining to this.

He also said the case was very sensitive as it involved Malaysia's relations with Brunei.

Dr Mahathir, in filing his action, had sought unspecified damages for libel contained in the article.

Tan Sri Abu Talib and Senior Federal Counsel Zaleha Zahari represented Dr Mahathir while Encik Muhammad Shafee Abdullah appeared for the *Review* and Mr Davies.