

Take my way or highway, Najib tells cabinet
MalaysiaKini.com
June 1, 2015

After some ministers reportedly questioned the 1MDB fiasco, Prime Minister Najib Abdul Razak has told his cabinet members to resign if they do not support him on the matter.

Utusan Malaysia today reported Najib giving the ultimatum at the Cabinet meeting last Friday, after Second Finance Minister Ahmad Husni Hanadzlah presented the 1MDB restructuring plan.

Utusan said the online portal Malaysia Today last night also reported similarly and quoted Cabinet sources as saying that no Cabinet member voiced any opposition to Najib.

"The prime minister announced that any Cabinet member who was not with him on the 1MDB issue should resign.

"But nobody did (state that he or she was not with the PM)," the report says.

Under the restructuring plan announced by Husni (photo), UAE's International Petroleum Investment Company (IPIC) will pay 1MDB's US\$975 million (RM3.57 billion) debt to an international banking consortium that is demanding payment four months ahead of schedule.

Debt to or be reduced

The deal with IPIC and its unit, Aabar, will see 1MDB's debt reduced by approximately RM3.5 billion in less than a week.

Additional transactions - the details of which the ministry said will be finalised in the coming weeks - will further reduce 1MDB's debt by between RM12 billion and RM12.5 billion.

At the same time, the two major developments under 1MDB, the Tun Razak Exchange (TRX) and Bandar Malaysia, are to be used to raise funds to help pay off the company's massive debts.

The rescue plan is to separate TRX and Bandar Malaysia from 1MDB into independent entities. The two projects will then raise equity through third parties and channel the funds to 1MDB to service its debts.