Pua to 1MDB: Prove you're not responsible for missing US$1.4b
MalaysiaKini.com
Sept 10th, 2015

Petaling Jaya Utara MP Tony Pua has urged 1MDB to prove that it was not responsible for the disappearance of US$1.4 billion intended as collateral payment for Abu Dhabi-based International Petroleum Investment Company (IPIC).

He said this in reference to the Wall Street Journal (WSJ) report yesterday which said even though the US$1.4 billion payment appeared in 1MDB's accounts, there was no such receipt in IPIC's books.

This was over a 2012 deal where IPIC had guaranteed US$3.5 billion in bonds by 1MDB in exchange for a 49 percent stake in the latter's power assets and the collateral payment.

"To ensure that 1MDB is not blamed or is not complicit in the disappearance of the US$1.4 billion, the company must provide full disclose of the terms of the Guarantee and Options Agreement with IPIC.

"Any attempts to cover up the whereabouts of US$1.4 billion in question with a mere denial and empty assurances will only lead to greater suspicion among the public that the money has disappeared and is completely unaccounted for," said Pua in a statement today.

1MDB's response unsatisfactory

Pua said 1MDB's response yesterday that the US$1.4 billion was reflected in its accounts and that it cannot speak for IPIC over what happened to the money was unsatisfactory.

"Unfortunately, the denial by 1MDB yesterday does not in any way, dispel the fact that US$1.4 billion is missing or is completely unaccounted for.

"All that 1MDB stated was 'the 1MDB audited financial statements clearly describe the amount and purpose of the payments, which for the avoidance of doubt, is structured as a deposit (i.e. a financial asset belonging to 1MDB and not an expense to 1MDB)'.

"1MDB further tried to disclaim the WSJ findings by leveraging on its audit firm, Deloitte's reputation.

"Unfortunately, whether Deloitte or its previous auditors, KPMG, Malaysians have already witnessed the multiple lapses in 1MDB's audit over the past five years which have resulted in the gargantuan RM42 billion scandal we see today," he said.

Furthermore, Pua (photo) pointed out that this is not the first time 1MDB's recorded payment to a party but instead transferred money to somewhere else.

"For example, it has been shown in various leaked documents that 1MDB made payments

of US$700 million to Good Star Limited despite the payment being meant for Petrosaudi International Limited in 2009," he said.

The DAP lawmaker also urged the police to probe the latest allegation involving 1MDB.

"We would also like to call upon the inspector-general of police Khalid Abu Bakar to demand an immediate investigation into this missing US$1.4 billion as reported by WSJ to ensure that those who may have embezzled the funds or committed criminal breach of trust are urgently brought to book," he said.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd
Source: http://www.malaysiakini.com/news/311765