

Najib says he didn't sign transfer of US\$3.5b to Aabar BVI
MalaysiaKini.com
May 24th, 2016

Prime Minister Najib Abdul Razak has implied that he was not involved in the transfer of US\$3.5 billion from 1MDB to a British Virgin Island entity it believed was a subsidiary of International Petroleum Investment Company (IPIC).

This is because, Najib said, his signature as prime minister under Article 117 of 1MDB's memorandum and article of association (M&A) was not needed in the transaction.

"For your information, 1MDB has made a number of payments amounting to US\$3.51 billion to Aabar Investments PJS Limited.

"All the payments made were based on the agreement inked and all the management action in such context was done according to the instruction and approval of the board of directors...," he said.

"For the purpose of the transaction, there is no need to get the written approval of the prime minister under Article 117 of M&A," Najib told Tony Pua (DAP-Petaling Jaya Utara) in a parliamentary written reply.

The M&A gives Najib, who is also the chairman of the 1MDB advisory board, sole discretion for certain matters pertaining to the state-owned sovereign wealth fund.

Pua has asked if the prime minister had given written consent to 1MDB, either directly or indirectly, to pay the money to Aabar Investment PJS Limited (Aabar BVI).

It turned out that while Aabar Investment PJS is a subsidiary of IPIC, Aabar Investment PJS Limited, an off-shore entity registered in BVI, is an entirely different company which has no links to the Abu Dhabi sovereign wealth fund.

The matter has led to a feud between 1MDB and IPIC, with the latter insisting that 1MDB still owed it money.

1MDB had said it was an internal matter for IPIC to resolve.

Copyright © 1999-2016 Mkini Dotcom Sdn. Bhd

Source: <https://www.malysiakini.com/news/342667>