

1MDB officers should pay fine, not taxpayers, Bank Negara told
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The Bank Negara fine imposed on 1MDB should be surcharged upon those responsible for its mismanagement and breaches of trust DAP parliamentary leader Lim Kit Siang said today.

He said the fine imposed on 1MDB, a fully government-owned company, should not be kept secret, since taxpayers deserve to know how much they have to bear.

Lim also asked why the fine is not being charged to those responsible instead.

“Malaysian taxpayers are entitled to know why this Bank Negara fine should not be surcharged to those responsible for the shocking mismanagement and criminal breaches of trust in 1MDB, whether they be the finance minister or the prime minister, by virtue of Article 117 of the memorandum and articles of association of 1MDB, the 1MDB board of directors or the principal officers of 1MDB management,” he said in a statement this morning.

Article 117 is a clause in 1MDB’s memorandum and articles of association that requires all of the company’s financial commitments to be approved by the prime minister.

Following an investigation, the parliamentary Public Accounts Committee (PAC) had recommended that this clause be removed, and the government has pledged to do so.

Lim’s statement is in response to Bank Negara governor Muhammad Ibrahim’s [refusal to reveal](#) the quantum of the fine imposed on 1MDB, which was reportedly paid on Wednesday.

The fine was for, among others, 1MDB’s failure to comply with the central bank’s order to repatriate US\$1.8 billion (RM7.76 billion) parked overseas.

Black mark on new governor

Muhammad said it is against the central bank’s policy to disclose the sum.

With the payment of the fine, the new chief said this [closes Bank Negara's case](#) against 1MDB, although it would continue to assist in the investigations of other authorities.

Lim said the move is the first black mark against the newly-minted central bank governor, who took office on May 1 after the retirement of his predecessor, Zeti Akhtar Aziz.

Although Bank Negara has refused to disclose the fine, he said, the world already knows that the regulators in Singapore had imposed a S\$13.3 million fine on BSI Bank's branch in the island republic, while Swiss authorities have [confiscated 95 million Swiss francs](#) (RM394 million) from the bank in illegal proceeds.

Both authorities have also separately ordered the 143-year-old bank to be [shut down](#).

"Where is Bank Negara's much touted transparency and accountability, when it refuses to reveal what was the compound fine which had been paid in full by 1MDB for failing to comply with Bank Negara directives issued under the Financial Services Act 2013 which, among others, include a requirement for 1MDB to repatriate US\$1.8 billion of its funds remitted abroad following the revocation of the three permissions granted by Bank Negara to 1MDB in 2009, 2010 and 2011?" Lim asked.

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