

Four 1MDB-linked Swiss probes, suspicious dealings flagged in S'pore
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Swiss financial authority Finma said it has four 1MDB-linked investigations.

The probes, referred to as enforcement proceeding, is on "the behaviour of several Swiss banks in the context of their business relations to 1MDB".

An enforcement proceeding commences upon suspicion that a law was violated.

However, it declined to confirm that Swiss bank UBS Group AG is under the spotlight.

"We do not name the banks concerned in our investigations or ongoing proceedings," spokesperson Tobias Lux told *Malaysiakini* in an email.

Finma in May concluded an enforcement proceeding which found Swiss Bank BSI AG involved with "money laundering" through transactions linked to 1MDB.

This comes as *Bloomberg* reported Swiss Bank UBS Group AG found transactions linked to 1MDB "suspicious".

The bank alerted the Monetary Authority of Singapore, prompting an investigation, an anonymous source familiar with the matter told the financial newswire.

"These transactions were not immediately recognised by UBS as suspicious," *Bloomberg* reported.

Round tripping?

Sarawak Report earlier identified that UBS managed the accounts of British Virgin Island-registered Aabar Limited, which is now revealed to have no links to the International Petroleum Investment Corporation (IPIC) resulting in a dispute.

The account received at least US\$1.24 billion from a BSI SA bank account 1MDB subsidiary in Lugano, Switzerland, *Sarawak Report* said on July 11.

Bloomberg said a UBS spokesperson declined to comment while the Monetary Authority of Singapore referred to previous statements made on its supervisory review of financial institutions with suspicious transactions.

This comes after Petaling Jaya Utara MP Tony Pua questioned if auditors at Deloitte were "**bluffed**" into signing off on 1MDB's accounts.

Pua said 1MDB's March 2014 financial statement showed the amount redeemed from the Cayman Islands investment was instead "substantially utilised for the purposes of debt interest payment, working capital and payments to Aabar (Investments PJS Ltd or Aabar BVI) as refundable deposits".

However, 1MDB through its wholly-owned subsidiary Global Investment Limited (1MDB GIL), had made several large payments to Aabar BVI in 2014, he said.

"Why did 1MDB GIL pay Aabar BVI the money even though there were no business transactions, agreements or dealings between the two entities? Why wasn't these fund transfers disclosed and explained during (1MDB head) Arul Kanda's testimonies with the PAC (Public Accounts Committee)?" he asked.

The details of the transactions are in the auditor-general's report on 1MDB, said *Sarawak Report*, but this cannot be independently verified as the report is still sealed under the Official Secrets Act.

Under the OSA, anyone found guilty of being in possession of or distributing confidential documents faces mandatory jail of two years.

The UK-based *Sarawak Report* has typed out in verbatim the executive summary of the report and said that the rest of the document would follow.