Prosecution allowed to withdraw 1MDB-linked US$6.5b bonds case

Malaysiakini

03 September 2020

Hidir Reduan Abdul Rashid

UPDATED 11.22AM | The High Court sitting in Kuala Lumpur has allowed the prosecution's bid to withdraw the 1MDB-linked US$6.5 billion (RM27 billion) bonds case against Goldman Sachs International and its two Asia-based subsidiaries.

Judge Mohamed Zaini Mazlan allowed the prosecution's application for the three accused to be acquitted and discharged of the charges.

Aside from Goldman Sachs International, the other two accused in the matter are Goldman Sachs Asia LLC and Goldman Sachs (Singapore) PTE.

The Malaysian government reportedly received the first segment of US$2.5 billion (RM10.4 billion), out of a total US$3.9 billion (RM16.2 billion) in an agreed settlement between the investment bank and the government over the matter.

On July 25, it was reported that Goldman Sachs Group Inc will hand over a cash payment of US$2.5 billion (RM10.66 billion) to the Malaysian government to resolve outstanding claims related to 1MDB in the next two months.

Finance Minister Tengku Zafrul Abdul Aziz (below) was quoted as saying the cash payment is part of a total settlement of US$3.9 billion (RM16.63 billion) which the group had agreed to in order to resolve outstanding charges and claims related to the three bond transactions that the Wall Street bank had structured and arranged for 1MDB.

During the mention of the case before judge Zaini this morning, DPP Masri Mohd Daud informed the court that new developments have led to the decision to drop the case against Goldman Sachs.

“There have been new developments (that led to) in the prosecution deciding not to continue with the case against all the accused Goldman Sachs.

“(The prosecution seeks to) withdraw all charges in the case,” Masri said.

Counsel for the three accused, Hisyam Teh Poh Teik, then applied to the court for the order to be one of discharge and acquittal for all the defendants in the case, as per the Criminal Procedure Code.

“We (the prosecution) have no objection and have no intention to continue with the case,” Masri told the court.

Zaini then ordered for the three accused to be acquitted and discharged them from all charges.

“This is a discharge amounting to an acquittal,” the judge informed parties when Hisyam sought clarification on the nature of today’s ruling.

Met by the media after proceedings, Masri confirmed the outcome of today’s matter.

Asked whether today’s outcome was related to the recent settlement between Goldman Sachs and the Malaysian government over the 1MDB matter, the DPP said he does not know as the prosecution was acting on instruction from the Attorney-General (AG).

“I do not know, I came to court (on) instructions from the AG. I cannot comment (further),” Masri said.

Malaysiakini

On Dec 17, 2018, then attorney-general Tommy Thomas (above) was reported

saying that the three Goldman Sachs entities and several others were charged in relation to alleged false or misleading statements linked to the issuance of bonds worth US$6.5 billion from subsidiaries of 1MDB.

The several others charged were 1MDB-linked fugitive Low Taek Jho or Jho Low, 1MDB's former general counsel Jasmine Loo and former Goldman Sachs bankers Tim Leisnerr and Roger Ng.

Prosecution to continue with 1MDB-linked bonds case

Meanwhile during open-court proceedings before Zaini this morning, Masri informed the court that the prosecution would seek to continue with the 1MDB-linked US$6.5 billion bonds case against Ng.

"We (the prosecution) decided to continue (with the case against Ng)," the DPP said.

Zaini then set Sept 10 for next mention of the case against Ng.

Previously, it was reported that the court set today for mention to update on the status of Ng, who is still in the United States facing 1MDB-linked criminal charges there.

Previously, the court had set Nov 9 as the first day of the trial against Ng, who is facing four charges of abetting Goldman Sachs in the bond sale.

Lawyer Tan Hock Chuan appeared for Ng in today's proceedings before Zaini.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: https://www.malaysiakini.com/news/541270