

Lawyers don't get commissions for recovering 1MDB assets, says board

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The state investment fund 1MDB said lawyers helping in its lawsuits and to recover its allegedly misappropriated assets do not earn a commission based on the amount recovered, contrary to what some parties have claimed.

“These legal counsels are remunerated based on a pre-agreed time cost, and not based on commission or a percentage of the value of settlements, or assets recovered.

“As announced by Finance Ministry previously, Malaysia has received a cash settlement of USD2.5 billion (RM10.66 billion) from Goldman Sachs and that amount has been deposited into the Asset Recovery Trust Account under the custody of the Accountant General's Department of Malaysia.

“Recently, 1MDB also successfully reached a settlement with AMMB Holdings Berhad for RM2.83 billion and Deloitte for RM324 million. All proceeds from the 1MDB's asset recovery efforts including any future settlements have been or will

be deposited into the Trust Account,” its board of directors said in a statement today.

The statement came after Kuang assemblyperson Sallehudin Amiruddin’s office reportedly lodged a police report claiming Bersatu received RM500 million that originated from “commissions” for Goldman Sachs settlement, through lawyer Rosli Dahlan.

Former Umno supreme council leader Lokman Adam has also made similar claims, following which DAP’s Damansara MP Tony Pua has urged Prime Minister Muhyiddin Yassin to disclose the amount paid to professionals assisting with 1MDB’s asset recovery.

Bersatu has denied the claim. Rosli, who has represented 1MDB, Bersatu and Muhyiddin in several cases, lodged a police report against Sallehudin and Lokman claiming that their allegations amounted to criminal defamation and other crimes.

Meanwhile, 1MDB’s board said the fund still has RM32.2 billion of outstanding debt.

This includes two US dollar-denominated bonds valued at US\$3.5 billion (about

RM14.7 billion) with coupon rates of 5.75 percent and 5.99 percent per annum maturing in 2022 and a coupon rate of 4.4 percent per annum maturing in 2023.

Another debt is the RM5 billion sukuk with 5.75 percent profit rate that matures in 2039.

“Total of bonds/Sukuk principal and coupon/profit to be paid till maturity are RM40.51 billion. 1MDB will continue its recovery efforts to enable it to pay the bondholders and sukukholders upon maturity of these debt instruments,” it said.

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