

Thomas and Najib lock horns

The Star - 12/12/2019 pg. 6

Trial heats up as AG questions ex-premier about SRC funds frozen by Swiss govt

By NURBAITI HAMDAN
nurbaiti@thestar.com.my

KUALA LUMPUR: A war of words broke out between former prime minister Datuk Seri Najib Razak and the Attorney General as the two went head to head over SRC International Sdn Bhd's funds that were frozen by the Swiss government in 2015, allegedly for money laundering.

Najib, 66, insisted that the subsidiary of 1Malaysia Development Bhd (1MDB) was supposed to take steps to recover the monies when he was asked by Tan Sri Tommy Thomas about the missing funds.

Thomas told the witness that the money – loaned to SRC from the Retirement Fund Inc (KWAP) – was frozen and this had caused a cash flow problem where SRC could not pay back its debt to KWAP.

Najib said he was not sure how much money there was in the Swiss account.

“But if the money was frozen by the Swiss government, then it means there was money in that account,” he said at the SRC International trial here yesterday.

Things got heated up when Najib said he wanted the money to be brought back and SRC's management was “supposed to take action”.

Thomas: You didn't take action.

Najib: SRC is supposed to take action.

Thomas: SRC is not on trial Datuk Seri, you are on trial. Were you shocked (about the money being frozen)?

Najib: Yes, I was shocked but SRC was supposed to do it.

Thomas then asked Najib if he had asked the five SRC directors what had happened to the RM4bil loan, to which the witness replied he did not summon the directors.

Thomas: I put it to you that you did nothing to investigate. This was taxpayers' money, but you did nothing.

Najib: SRC was supposed to do it!

Thomas: The RM4bil from the two loans from KWAP that was given to SRC has totally disappeared.

Najib: I disagree because we couldn't ascertain about the funds in Switzerland.

Thomas: So you're still playing “some assets are in Swiss”.

Najib: (That) we must establish!

Thomas: I put it to you that the money has disappeared. They were absolutely misspent.

Najib: I disagree.

Thomas: They (the loans) become non-performing.

Najib: We have not come to that part.

Najib also denied suggestions that he refused to send former Finance Minister II Datuk Seri Ahmad Husni Hanadzlah to Switzerland because he did not want Husni to discover the truth about the monies.

“Husni's request to go to Switzerland was an informal one and made on a whim,” he said.

“I was told that there was already a delegation that went there earlier to inquire about the money and they were satisfied.”

For the record, the court had heard a testimony from former SRC board chairman Tan Sri Ismee Ismail who said that the entire board of directors visited the Swiss bank in Lugano, Switzerland, in September 2013 to ensure the company's money was safely kept.

Husni testified in court that Najib refused to allow a government delegation to go to Switzerland to clarify about the frozen money.

Najib also denied limiting or restricting Husni in matters relating to 1MDB or SRC.

“He is involved in matters like loan agreements,” Najib said.

Thomas: Those were the things you wanted him to do, when you wanted him to sign the government guarantee and such. You would instruct him to do so.

Najib: I disagree.

Thomas: I put it to you that you didn't want him to get into the operational aspects of 1MDB because at that time 1MDB was getting notorious.

Najib: No. I disagree because Husni answered for 1MDB in Parliament. If he is the one answering then he would know the operations.

Thomas: You didn't want him to know the truth about 1MDB and SRC. I put it to you, you didn't want Husni to discover your cover-up is false.

Najib: Disagree.

Thomas: Even your answer today in court is a cover-up. Not the truth.

Najib: I disagree.

Najib is facing seven charges – three for criminal breach of trust, one for abuse of power and three for money laundering involving SRC funds totalling RM42mil.

The hearing before Justice Mohd Nazlan Mohd Ghazali continues next Wednesday.