

'ULTIMATE POWER'

WITNESS: NAJIB EMPEROR OF 1MDB



He made all the decisions, says former CEO

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“YOU can talk about the legalities and all that... but it was not how 1Malaysia Development Bhd (1MDB) was run. “From the time I joined to the time I left, I saw Najib as the ultimate power in 1MDB. Yes. I can say he was the emperor of 1MDB.”

That was how former chief executive officer of the sovereign wealth fund, Datuk Shahrol Azral Ibrahim Halmi, described his former boss, Datuk Seri Najib Razak.

Shahrol, 49, who was 1MDB CEO from 2009 to 2013, has been under fire non-stop over his role as CEO of the fund since Najib's lawyer, Tan Sri Muhammad Shafee Abdullah, started cross-examining him earlier this month.

He has been put under the hammer for saying he did not

bother checking anything he was asked to do as he believed it had all been approved by Najib.

He maintained his stand yesterday as the cross examination continued.

He even admitted putting his name to minutes of a meeting, which contained lies.

“I trusted that Jho Low and Najib were working for the best of the country and that 1MDB was just a vehicle to achieve this,” he said in reply to a question about the minutes.

On the minutes of the meeting which took place on March 30, 2011, he was questioned if he had signed a document that was fraudulent.

“I agree that this is not a truthful record, but I signed it because Jho Low was working with Najib on this matter.”

Earlier, Shafee asked Shahrol to explain his understanding of Najib's power in 1MDB.

The lead counsel in Najib's team confronted the key prosecution witness on the role of the 1MDB board of directors and Shahrol's responsibility as 1MDB CEO.

Shafee: I want to ask you this. Can Najib walk into 1MDB's of-

ice, call you up and say, “I want you to do this and that?”

Shahrol: Yes, he was the PM. There was no way we could refuse him.

Shafee: Have you been in other company's board prior to 1MDB? **Shahrol:** No.

Shafee: Before you became the CEO of a sovereign wealth fund, surely you would have been taught how a CEO acts.

Shahrol: I was appointed and had responsibilities. As far as I was concerned, 1MDB worked on the instructions of the PM, in any one of the three hats he wore (as prime minister, finance minister and sole shareholder of 1MDB under the Minister of Finance Inc).

Shafee lectured Shahrol on provisions under the Companies Act, which stated that the business and affairs of a company must be managed by or under the direction of the board.

“What this means is as a matter of legality, the board of directors make all the decisions.

“Do you get this?”

Shahrol replied: “I can only say what happened at that time. The minutes were instructions from the PM and we were bound to



Former 1Malaysia Development Bhd chief executive officer Datuk Shahrol Azral Ibrahim Halmi arriving at the Kuala Lumpur Court Complex on Wednesday. PIC BY ZULFADHLI ZULKIFLI

implement them.”

Shafee: You are saying that despite what I said about the legalities, it was different from what transpired in 1MDB?

Shahrol: Yes, from the time I joined to the time I left. I saw Najib as the ultimate power in 1MDB.

Shafee: But the board has the power to make decisions.

Shahrol: In practice, that was not how it happened in 1MDB.

Shafee: That is why 1MDB went down the drain!

Shahrol: My answer is that it wasn't like that in 1MDB. For example, in the case of the joint venture agreement with PetroSaudi International Ltd, things would not have been rushed, but they were because that's how Najib wanted it to be.

Shafee: I am putting it to you

that you have the wrong interpretation of it. You made him look like an emperor... like the good old days in India. One man decides on everything. No checks and balances.

Shahrol: In the case of 1MDB, he was.

Shafee: You just made him an emperor.

Shahrol: Yes.

Shafee will continue with the cross examination on Monday.

Najib, 66, is accused of misappropriating RM2.28 billion of 1MDB funds, money laundering and abuse of power.

The trial is being conducted before High Court judge Collin Lawrence Sequerah, with deputy public prosecutor Datuk Seri Gopal Sri Ram leading the prosecution team.