

'Najib gave Islamic notes go-ahead'

Witness: Ex-PM proceeded with issuance of TIA product despite Sultan's displeasure

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KUALA LUMPUR: Datuk Seri Najib Razak proceeded with the proposed issuance of a financial product from Terengganu Investment Authority Bhd (TIA) despite the displeasure (murka) of its chairman Sultan Mizan Zainal Abidin, the High Court heard.

Former 1Malaysia Development Bhd (1MDB) CEO Datuk Shahrol Azral Ibrahim Halmi, 49, testified that the former prime minister gave the order to continue with the issuance of Islamic Medium Term Notes (IMTN) in a meeting at his residence in Jalan Langgak Duta here.

This came after Sultan Mizan, who was the then Yang di-Pertuan Agong, held a sudden audience with Shahrol at Istana Terengganu in Jalan Kia Peng on May 22, 2009. At the meeting Shahrol said. His

Royal Highness showed him a resolution and ordered him to sign it.

"I was stunned and I could tell something was not right with His Royal Highness' intonation.

"I read the resolution quickly and saw it was about the suspension of the IMTN issuance until the terms and conditions stated in the resolution are met," Shahrol said here yesterday.

The ninth witness in the 1MDB trial said this was the first time he had knowledge that Terengganu had imposed conditions to the IMTN issuance as Low, who was the adviser and facilitator to Sultan Mizan and Najib, had never informed him of the conditions.

Shahrol said he and former 1MDB director Tan Sri Ismeel Ismail, who was also present then, signed a copy of the resolution and left the palace.

"We were not given a chance to explain," he said.

During the meeting Shahrol also



A long day: Najib leaving the High Court after the 1MDB trial in Kuala Lumpur.

added that he heard His Royal Highness using the phrase "unsavoury character" but he was unsure of who did the Sultan meant by those words.

"I did not know the real reason

behind the clash between TIA stakeholders at that time," he said.

Shahrol then contacted Low who told him to go to Najib's house the same night.

"At the same time, I contacted former 1MDB executive director Casey Tang to inform him of the status and asked him to discuss with AmBank about the suspension.

"Tang told me that the IMTN issuance could not be suspended as agreements had been signed," he said.

At Najib's house, Shahrol said Low and Najib were already waiting for him.

"Najib asked me if I knew why the Sultan was displeased (murka). I said I did not know.

"He also asked if I had a copy of the resolution and I said no," he said.

According to Shahrol, Najib told him "you go ahead, I will talk to Tuanku".

"I took it as an order and mandate from the prime minister, who was also the finance minister, to proceed with the IMTN as he was the minister responsible in giving government guarantee (GG).

"Low also heard the order. When I left the house, Low stayed behind," the witness said.

TIA was set up as a sovereign wealth fund on Feb 27, 2009, and changed its name to 1MDB on Sept 25 the same year.

Najib, 66, faces 25 charges in total - four for abuse of power that allegedly brought him financial benefit to the tune of RM2.3bil; and 21 for money laundering involving the same amount of money.

He faces imprisonment of up to 20 years and a fine of up to five times the sum or value of the gratification or RM10,000, whichever is higher, if found guilty.

Shahrol will continue his testimony before Justice Collin Lawrence Sequerah today.