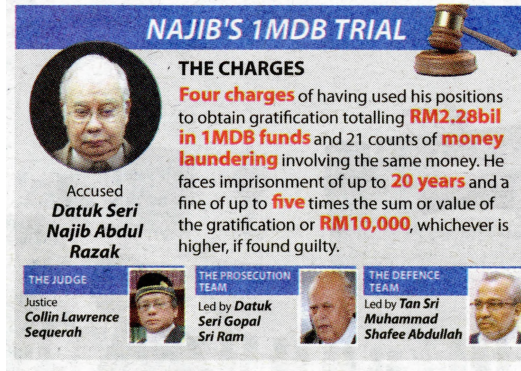


# Najib okayed bond sale despite Sultan's decree

> Witness says resolution signed to suspend and postpone issuance of notes

**KUALA LUMPUR:** The High Court yesterday was told how Datuk Seri Najib Razak had instructed for the agreement of a RM5 billion bond sale by the Terengganu Investment Authority Berhad (TIA) to proceed despite a decree by the then Yang di-Pertuan Agong, Sultan Mizan Zainal Abidin, for it to be suspended and its issuance postponed.

Former 1Malaysia Development Berhad (1MDB) chief executive officer, Datuk Shahrol Azral Ibrahim Halmi, 49, who was then TIA CEO, said after Sultan Mizan signed the resolution to suspend the Islamic Medium Term Notes (IMTN) agreement and postponed its issuance, he went to the former prime minister's house in Jalan Langgak Duta on May 22, 2009 at about 8pm to inform him (Najib) about the matter.



**NAJIB'S 1MDB TRIAL**

**THE CHARGES**

Accused **Datuk Seri Najib Abdul Razak**

**Four charges** of having used his positions to obtain gratification totalling **RM2.28bil in 1MDB funds** and 21 counts of **money laundering** involving the same 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.

**THE JUDGE**  
Justice **Collin Lawrence Sequerah**

**THE PROSECUTION TEAM**  
Led by **Datuk Seri Gopal Sri Ram**

**THE DEFENCE TEAM**  
Led by **Tan Sri Muhammad Shafee Abdullah**

"After the signing at the Istana Terengganu, I called (TIA adviser) Jho Low (Low Taek Iho) and told him what had transpired.

"He was shocked, asked for some time to resolve the matter and said he would call me back, which he did after a while to tell me to go to the former premier's house.

"I also telephoned Casey Tang (1MDB executive director) and informed him of the latest status and asked him to discuss with AmBank if

there was a need to suspend the IMTN.

"Casey told me that it was not possible (to suspend) as the agreement had been inked and a portion of the bond had already been purchased during the book building exercise. Suspending it would mean violating the agreement," Shahrol testified during examination by lead prosecutor Datuk Seri Gopal Sri Ram.

Shahrol said upon reaching Najib's house, Jho Low and Najib were already waiting for him at the living room and had appeared to have had discussions.

The prosecution's ninth witness said he then informed Najib that Sultan Mizan had decreed for the bond to be suspended and how AmBank, on the other hand, was not in a position to allow that to happen as it would be a breach of the agreement signed a year earlier.

"Jho Low then informed me that because the IMTN was guaranteed by the federal government, a suspension at the end stages would lead to a loss of confidence among investors towards Malaysian-government issued bonds.