

Goldman Sachs suggested by Jho Low

But his name was kept out of records to protect ex-PM Najib, court told

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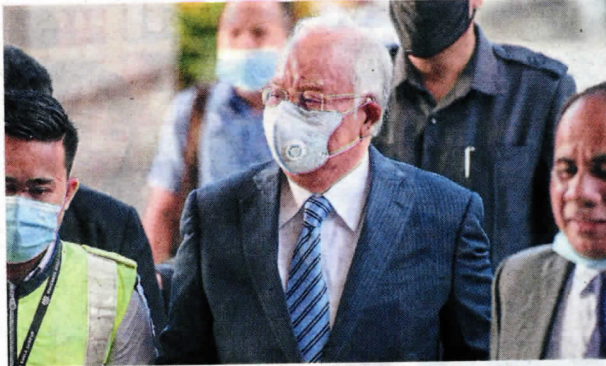
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KUALA LUMPUR: The High Court was told that the name of fugitive businessman Low Taek Jho, better known as Jho Low – who is central to the 1Malaysia Development Bhd (1MDB) scandal – was kept out of the records to protect the then-prime minister, Datuk Seri Najib Tun Razak.

Former 1MDB CEO Datuk Shahrol Azral Ibrahim Halimi testified here yesterday that it was the “convention” to keep Low’s name out of the board meetings.

The ninth prosecution witness was under cross-examination by defence lawyer Wan Aizuddin Wan Mohammed, who raised questions about Low’s role in having investment management firm Goldman Sachs appointed as the financial adviser for the acquisition of power plant operator, Tanjong Energy Holdings Sdn Bhd, for RM10.6bil.

In February 2012, Goldman Sachs was appointed to represent 1MDB



In attendance:
Najib arriving at the High Court for his trial.
— Bernama

in the deal, with a 0.5% fee from the bid price, if the acquisition was successful.

Shahrol admitted that Jho Low was responsible for proposing Goldman Sachs for the positions of “bookrunner, underwriter and arranger” for the acquisition’s funding process, apart from being its official financial adviser.

“As I recall, Jho Low said why don’t we get Goldman to do everything relating to the funding,” said Shahrol.

When asked whether Low was a broker for Goldman, Shahrol said he saw Low as a facilitator instead, as he had contacts with all the relevant stakeholders, including Najib.

To another question, Shahrol agreed that he did not inform a board (BOD) meeting in February 2012 that the Goldman Sach’s appointment was suggested by Low.

“Because the convention at that time was to keep Low’s name out of the board meeting,” he said.

Wan Aizuddin then asked why

such a convention took place and the reason the witness adhered to it.

Shahrol said that since the beginning, Low had maintained that his involvement must be off the radar to protect Najib.

Wan Aizuddin: The reason why you kept his name out of the knowledge of the BOD was because you were colluding with him to secure remuneration from Goldman Sachs in the event the acquisition was successful.

Shahrol: I disagree.

To another question posed by Wan Aizuddin, Shahrol admitted that the BOD was not informed of a RM2.1bil reduction in the price of the acquisition, which meant the sovereign wealth fund would only have to pay around RM8.5bil.

“The board was only informed that the price of the acquisition would be up to RM10.6bil and possibly lower,” Shahrol said.

The defence also asked Shahrol if Low and Goldman Sachs had intentionally misled the BOD.

Shahrol said he was not aware of

that at that time, but in hindsight, he agreed that they did.

After the cross-examination ended, lead counsel Tan Sri Muhammad Shafee Abdullah requested for Najib to be exempted from the hearing today to attend Parliament as Najib, who is the Pekan MP, was scheduled to speak in Parliament.

Shafee said accused persons who were also MPs, have previously been excused from trials to attend Parliament. He said Najib had arranged to appear in Dewan Rakyat after 2pm, and suggested that the trial start at 9am right up to 1pm with no breaks so Najib could leave in time.

However, Justice Collin Lawrence Sequerah denied the request.

“I appreciate that he (Najib) has a duty to perform, but I also have a duty to perform. This case has to proceed,” the judge said.

Najib, 67, is facing four charges of abusing his position to obtain gratification totalling RM2.28 bil in 1MDB funds and 21 counts of money laundering involving the same money.

The hearing continues today.