

# 'MEETING WAS TO GET NAJIB'S KIDS JOBS'

Ex-Goldman chief met ex-PM in 2009 ahead of US\$6.5b in bond deals, says Leissner

## NEW YORK

**T**HE star witness in the bribery trial of former Goldman Sachs Group Inc banker Roger Ng testified that ex-Goldman chief Lloyd Blankfein met then prime minister Datuk Seri Najib Razak in 2009 ahead of US\$6.5 billion in bond deals for the country's wealth fund, and that the meeting came with an agenda.

In return for the lucrative business, Goldman was to get Najib's three children jobs at the bank, former Southeast Asia chairman Tim Leissner told the jury on Tuesday about the 1Malaysia Development Bhd scheme.

Leissner, 52, was describing the lengths he said he and his subordinate Ng went to in helping Malaysian financier Jho Low loot billions of dollars from the fund.



Tim Leissner

"Just met PM's three children with Jho at his apartment," Leissner read to the jurors, in federal court in Brooklyn, New York, from an email Ng sent him.

"We'll work on getting them to join GS."

Leissner replied to Ng: "Sounds good my friend. Get them in."

In the end, he told the jury, he just helped get Najib's daughter a job at TPG.

It was Leissner's second day of testimony in the trial of Ng, the bank's former head of investment banking in Malaysia.

Ng, 49, is charged with conspiring with Leissner and Low to

launder money embezzled from 1Malaysia Development Bhd, or 1MDB, and violate US anti-bribery laws.

He is the only former Goldman banker to go on trial in the scandal.

The case against Ng, whom Leissner described as the "relationship banker" who introduced him and Goldman colleagues to Low, focuses on Goldman's fund-raising work in 2012 and 2013 for 1MDB.

Ng has argued he was the first to inform Goldman compliance about Low, sending "red flag warnings" not to do business with him.

Leissner has pleaded guilty to money laundering and bribery of foreign officials and is cooperating with the US for leniency at his sentencing. Low is a fugitive.

Leissner testified on Tuesday that Ng told him Najib was coming to New York to visit his children in the US for the Thanksgiving holiday and that Low thought it would be a good chance for Blankfein and the prime minister to meet and promote the bond transactions.

The meeting, at the Four Seasons Hotel, went off even after a *New York Post* report circulated

among Goldman bankers describing Low as a "20-something Wharton grad from Malaysia who has burned through hundreds of thousands of dollars at the city's hottest nightspots".

To obscure the role of Low in their fund-raising efforts for 1MDB, Leissner testified, he and Ng came up with code names for him, including Friend and PMO (for the Prime Minister's Office).

He told the court that he and Ng, along with senior Goldman officials, including Andrea Vella, a former co-head of investment banking in Asia — used the code names to conceal the extent of Low's involvement in the fund-raising projects from others at the bank.

"Had we raised his name in his true capacity, we would not have been approved" by Goldman oversight officials, Leissner said. "It was a red flag that would have stopped the transaction."

At the same time, Leissner testified, he sometimes alerted Goldman compliance when he decided a deal wouldn't earn him enough money to be worth the "headache" of trying to survive the bank's vetting process.

One such deal Low proposed

involved hiring Goldman to work on the purchase of a Kazakh gold mine, Leissner told the court.

He said Low asked for Leissner's and Ng's help even after Goldman had rejected him as a private wealth client because there were concerns about the source of his wealth.

Leissner said he went straight to compliance.

"It was going to be painful, and it wasn't going to be big enough for us."

Low was "essential" in helping Goldman win business in Malaysia because he was not only the "key decision-maker" in advising the Malaysian king during the establishment of TIA, 1MDB's predecessor, but also secretly fed Goldman bankers inside information about how the fund was choosing a bank to advise it, Leissner told the jury.

Goldman was competing for the business, which earned it at least US\$100 million, with JPMorgan Chase & Co, UBS AG and other big banks, Leissner said.

Prosecutor Drew Rolle asked him if it was like having the answers to a test ahead of time.

"Yes," Leissner said. "Because we wrote them." Bloomberg