

Witness: I would have taken action

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Najib should have been shocked at fund transfers, former minister says

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KUALA LUMPUR: Former prime minister Datuk Seri Najib Razak should have been worried when he was informed that US\$1bil (RM4.4bil) was transferred by 1Malaysia Development Bhd (1MDB) to two overseas accounts including US\$700mil (RM3.1bil) that was diverted, the High Court has heard.

Former second finance minister Datuk Seri Ahmad Husni Hanadzlah (*pic*), who was testifying in the RM2.28bil 1MDB trial involving Najib, was referring to the US\$1bil transaction that was split into two accounts.

“If I were the top leader, I would have been shocked and I would have taken action,” Ahmad Husni said yesterday.

The court had previously heard that US\$300mil (RM1.3bil) was transferred to a JP Morgan SA account for 1MDB Petrosaudi Ltd (1MDB-Petrosaudi) while US\$700mil was transferred to an RBS Coutts Bank Ltd account, meant for PetroSaudi International (PSI) Ltd but the account was later revealed to belong to Good Star Ltd.

Good Star was initially represented as a PSI subsidiary but was later revealed to be controlled by fugitive businessman Low Taek Jho or Jho Low.

“What I know is that the funds were to be used to pay the joint venture (JV) company 1MDB-PSI. What I understand is the money had gone to Good Star.

“Although Najib once told me not to interfere, I did meet up with him several times and asked about 1MDB.

“When I asked him why pay to Good Star, Najib said ‘because have to pay PSI,’” Ahmad Husni said.

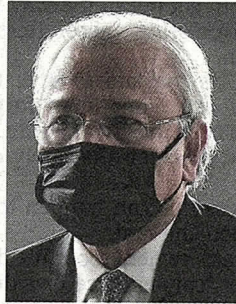
He added that the diversion of funds would have caused concern for anybody as it involved government bonds, but Najib did not respond to it.

Najib’s lawyer Tan Sri Muhammad Shafee Abdullah, who conducted the cross-examination, said it wasn’t Najib’s job to take action on the matter but rather 1MDB’s board of directors.

Ahmad Husni: But Najib was never concerned about it. I met him (Najib) a few times but there was still no action.

Muhammad Shafee: How did you know he did not take action?

Ahmad Husni: If he did, why wait until 2016 to fire (former 1MDB CEO) Datuk Shahrol Azral Ibrahim Halimi and appoint Arul Kanda Kandasamy (Shahrol’s successor)?



Muhammad Shafee said Najib could not make the decision himself although he was the chairman of 1MDB’s board of advisers and needed to go through the company.

“If the board of directors did not take action, the prime minister has the power to appoint or fire any of the management. 1MDB had borrowed money from bonds guaranteed by the government.

“If anything happens, the government had to pay for the loan and this would affect the budget,” Ahmad Husni replied.

Earlier, the hearing kicked off to a fiery start when a war of words broke out between Ahmad Husni and Muhammad Shafee, causing the proceedings to be temporarily stopped in the morning.

The tone of the cross-examination was tense with the seemingly irritated lawyer telling the witness not to quarrel with him and to just answer the questions.

The judge stepped in to remind the witness to answer questions from Muhammad Shafee as he has a duty as a lawyer.

“The prosecution will give you an opportunity (to explain your answers) during re-ex-

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amination. You will have the last say,” said the judge.

Najib is on trial for 25 charges in total – four for abuse of power that allegedly brought him financial benefit to the tune of RM2.28bil; and 21 for money laundering involving the same amount of money. The hearing resumes today.

Watch the video
TheStarTV.com