

NAJIB WANTED BNM TO CLEAR HIS NAME'

But Zeti didn't act upon his request as she had no knowledge of his bank account

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FORMER prime minister Datuk Seri Najib Razak had asked Bank Negara Malaysia (BNM) to clear his name over the RM2.6 billion in his personal bank account, the High Court heard.

Former BNM governor Tan Sri Zeti Akhtar Aziz said she, however, refused to obey the former finance minister's request as she had no knowledge about the latter's bank account.

"Najib in a media interview claimed that I was aware of the RM2.6 billion in his accounts at AmIslamic Bank Bhd and that I did not raise any questions about it.

"I wish to unequivocally state that I had no knowledge of the transactions that were undertaken in his account at that material time. All account holders in our financial system are protected by the banking secrecy provisions in our legislation.

"No one can have access to any account unless the financial institution concerned detects suspicious activities in the account and reports it to the central bank."

Zeti said this when testifying as the 46th prosecution witness in Najib's corruption trial for allegedly misappropriating millions from 1Malaysia Development Bhd (1MDB).

She said on July 3, 2015, Najib called her to his office and requested her to issue a statement that he had done nothing wrong in his account.

"I informed him that I cannot issue such a statement because I did not have knowledge of the transactions involving his account. He accepted my decision.

"Soon after that meeting, I received a call from a cabinet minister who made the same request for me to issue such a statement.

"I gave him the same answer that I cannot issue such a statement because I did not have knowledge of what had transpired in his account," she said.

Zeti said at the material time, she had no knowledge that the sum of RM2.6 billion had been remitted into his account and that the funds were monies that belonged to 1MDB.

She said the main concern at that time was AmBank did not report to BNM of the more than 500 transactions relating to the account that were suspicious or

irregular as required under the Anti-Money Laundering Act.

"Following the investigations, AmBank acknowledged these non-disclosures, false reporting and its failure in the compliance with the prudential regulations.

"AmBank paid the highest penalty ever in our history amounting to RM59 million and was also required to set aside a minimum of RM100 million for remedial action to strengthen its internal systems for Anti-Money Laundering/Countering Financing of Terrorism compliance," she added.

Zeti also said BNM was kept in the dark over the transfer of US\$700 million from 1MDB into Good Star Limited owned by fugitive businessman Low Taek Jho.

She said BNM had written to Najib to warn him of the increasing debt levels and the repayment challenges faced by the 1MDB, which led to the restructuring of a loan from the domestic banks.

"In the said letter, BNM had also urged Najib to increase the transparency around 1MDB's debt and operations, and to contain any further increase in its debt levels."

Najib, 70, is facing four charges of using his position to obtain bribes totalling RM2.3 billion from 1MDB funds and 21 charges of money laundering involving the same amount.