

**No personal guarantee in loan to NFCorp, says PAC insider**  
**The Malaysian Insider**  
**January 30 , 2012**  
**By Shazwan Mustafa Kamal**

KUALA LUMPUR, Jan 30 — There was no personal guarantee involved in the RM250 million government loan to the National Feedlot Corporation (NFCorp), giving rise to the question who is accountable to repay if the National Feedlot Centre (NFC) project fails, a member of the Parliamentary Public Accounts Committee (PAC) has confirmed.

This comes amid NFCorp's recent remarks made on January 27, where its management said that the government loan must be repaid else "we will be declared bankrupt or locked up in jail".

"There was no personal guarantee involved, that's what we were told. It was a soft loan given to the company.

"As far as we are aware, nobody is held accountable," a PAC source told The Malaysian Insider.

"There were no proper guidelines drawn in the beginning as to how the money was to be used... that is why it is now difficult to establish any instances of monetary abuse," the source added.

NFCorp executive director Wan Shahinur Izmir Salleh had said on Friday that "stories saying we are getting free money are unreasonable."

"RM250 million is a big amount. If we play around without direction, my children's future will be destroyed. For centuries, we will be saddled with debt," he said, looking uncomfortable in front of attendees and reporters who had waited for two hours for him to arrive.

Pua said the issue of a personal guarantee involving the loan was not mentioned during any PAC meeting. — File pic

"The loan agreement has been signed. If we don't pay back, we will be declared bankrupt or locked up in jail. We will pay every sen plus interest. The question of misappropriation does not arise," said Wan Shahinur Izmir, who is minister Datuk Seri Shahrizat Abdul Jalil's son.

PAC member Tony Pua told The Malaysian Insider that the issue of a personal guarantee involving the loan was not mentioned during any PAC meeting, and that many documents — financial statements and loan agreements — have yet to be presented to the PAC.

"I don't remember anyone asking about personal guarantee. I don't think these loans will involve personal guarantee though," the DAP national publicity secretary said.

Another PAC member, PKR's Datuk Kamarul Baharin Abbas, echoed Pua's remarks, saying that "as far as I know there were no personal guarantees."

He also said the PAC had yet to receive documents on the loan for the cattle-farming project

from NFCorp.

NFCorp, which is owned by Shahrizat's family, had its assets frozen recently to facilitate investigations by police and the Malaysian Anti-Corruption Commission (MACC) into allegations of breach of trust in the project.

This came after a series of exposés by PKR, which claimed at least RM27 million was used for land, property and expenses unrelated to cattle farming by Wanita Umno chief Shahrizat and her family.

The women, family and community development minister has since sued PKR's strategic director Rafizi Ramli and Wanita chief Zuraida Kamaruddin over the claims.

Wan Shahinur Izmir said 'stories saying we are getting free money are unreasonable.' "If NFCorp defaults on the loan, all assets belonging to the company, infrastructure, condos will be taken by the government," said another PAC member, Datuk Abdul Rahman Dahlan.

The Umno leader told The Malaysian Insider that the public should not be too hasty in attacking NFCorp over its condominium acquisitions, and that there "must be a reason why the condos were bought."

"It's possible the condo generated income for the company, and we must remember that the company is not in default. Let's not be quick to condemn them," he said.

Deputy Prime Minister Tan Sri Muhyiddin Yassin has rejected calls from the opposition for a royal commission of inquiry into the scandal, saying the police and MACC were capable of handling the matter.

The federally-funded cattle-farming project was first coined a "mess" in an article in a local daily after it made it into the pages of the Auditor-General's 2010 Report.

The term was later repeatedly reused by various media organisations to describe the NFC after PKR launched a series of exposés to show the project's funds were being abused.

NFCorp, which was awarded the project in 2006, had thanked Auditor-General Tan Sri Ambrin Buang last week for clarifying that he had not called the company a "mess" in his 2010 report, saying the explanation would help strengthen public perception of its operations.

The company said the Auditor-General's statement on Friday would help put to rest months of "tireless bashing from hardline critics" against NFCorp, which operates the scandal-ridden NFC project.

Shahrizat returns to ministerial duties on February 6 after taking three weeks' leave to allow the authorities to complete their probes.

The Malaysian Insider

Copyright © 2012 The Malaysian Insider

Source: <http://www.themalaysianinsider.com/malaysia/article/no-transformation-in-rm7b-hi-ghway-deal-pua-tells-najib/>