

Tajudin-MAS settlement could be illegal, says ex-top cop
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KUALA LUMPUR, Feb 17 — The police must look into two contested affidavits by Tan Sri Tajudin Ramli to see if they contain false and illegal claims, a former senior police officer said today.

Former city CID chief Datuk Mat Zain Ibrahim said this was needed to determine if the out-of-court settlement between the former Malaysia Airlines (MAS) chairman and the national carrier via Pengurusan Danaharta Bhd (Danaharta) amounted to a criminal conspiracy.

“If it can be proven that the settlement agreement... was also for the purpose of screening any parties from legal punishment or to suppress evidence of criminal wrongdoings of any person, then such an agreement falls within the meaning of a criminal conspiracy.

“It is immaterial whether the illegal act is the ultimate object of such agreement or is merely incidental to that object,” he said in a statement.

Mat Zain pointed out Tajudin (picture) claimed in his first affidavit that in 1994 then-Prime Minister Tun Dr Mahathir Mohamad had instructed him to buy a controlling stake in MAS to bail out the troubled national airline.

Dr Mahathir later disputed this claim in his 2011 autobiography “A Doctor in the House”, in which the PM of 22 years had written that Tajudin had purchased the stake as the latter thought it a good investment.

Tajudin then said in a second affidavit that de facto law minister Datuk Seri Nazri Aziz had issued a letter on August 8, 2011 directing all government-linked companies (GLCs) to settle their suits with the tycoon out of court, Mat Zain said.

But Nazri later said the letter was only an “advice” and did not amount to a directive.

“It is in the best interest of the police to conduct a thorough investigation, as the management of MAS themselves... have alleged collusion between the police and A-G’s Chambers in the investigations of their police reports against Tajudin, to the extent the investigations [are] being compromised,” Mat Zain said.

He said appropriate action must be taken against Tajudin if he is found to have affirmed false affidavits, regardless of whether the settlement exercise with Danaharta is completed or aborted.

Mat Zain added that if Tajudin is cleared of wrongdoing, the police should “point their cannons” at the MAS management for making several false police reports, beginning in 2002.

On Tuesday, Tajudin ended his long drawn-out multi-million ringgit battle with Danaharta

when both parties agreed to an out-of-court settlement.

The deal came after a lengthy legal dispute following a High Court decision in 2009 ordering Tajudin to pay the state asset management manager RM589.14 million, plus two per cent interest per annum, backdated to January 1, 2006.

The case between Danaharta and Tajudin arose after he executed a facility agreement on July 13, 1994 to borrow RM1.79 billion from a group of syndicated lenders to finance his purchase of a 32 per cent stake in MAS.

However, from 1994 to 1998 he failed to service the original loan, causing it to become a non-performing loan (NPL).

In 1998, Danaharta acquired the NPL from the lenders but Tajudin also failed to settle his debt with Danaharta until it was in default of RM1.41 billion as at October 8, 2001.

As part of a settlement agreement, Tajudin was to pay RM942 million in four instalments over three years and that he was permitted to redeem his charged shares at a minimum price per share.

Tajudin, however, defaulted in the payment of the quarterly interest payable under the settlement agreement and on April 27, 2002, the plaintiffs terminated the settlement agreement and demanded RM1.61 billion from him.

On April 29, 2002, Danaharta, together with its units Danaharta Urus Sdn Bhd and Danaharta Managers Sdn Bhd sold part of the charged shares consisting entirely of Technology Resources Industries (TRI) shares at RM2.75 per share, resulting in total proceeds of RM717.39 million.

As at December 31, 2005, the amount outstanding was RM589.14 million and on May 11, 2006, Danaharta and the subsidiaries commenced action to recover the money.

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