

**Don't hide behind banking confidentiality, Pua tells 1MDB**  
**The Malaysian Insider**  
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Debt-heavy 1Malaysia Development Berhad (1MDB) should not use "banking confidentiality" as an excuse to keep silent over its US\$975 million (RM3.6 billion) loan from six foreign banks, DAP's Tony Pua said today.

He said revealing this would not involve disclosing confidential information on the loan since Malaysians only wanted to know if the state investment arm was capable of servicing the debt, contrary to 1MDB president and group executive director Arul Kanda Kandasamy's claims.

"None of the questions involved the 'confidential' details of the lending agreement. Unfortunately, Arul chooses to conveniently use the banking confidentiality excuse to cover up everything," Pua, who is DAP national publicity secretary, said in a statement.

"It is this massive cover-up that Malaysians have lost confidence, not only in the 1MDB management and board of directors but also Prime Minister Datuk Seri Najib Razak and the Barisan Nasional government."

Yesterday, Arul refrained from commenting on the status of its loan from the consortium of banks, saying that it was bound by a "confidential banking matter".

"We are aware of recent press reports and statements concerning a loan taken by 1MDB in September 2014. While we would like to respond in detail, this relates to a confidential banking matter, which prevents us from commenting at the present time. However, we intend to update the market as soon as we are in a position to do so," he said.

Singapore's Business Times also reported that the six foreign banks had turned "panicky" because their loan was secured by 1MDB's wholly owned Brazen Sky's US\$1.103 billion, which is currently parted at Swiss-based BSI Bank Singapore.

The business daily, quoting sources, said the "securitisation document" for the loan was now deemed "incomplete", as one of the covenants was not fulfilled.

This meant lenders could demand for repayment from the state investment vehicle any time before its due date of end-August.

On April 22, whistleblower site Sarawak Report said 1MDB's account in BSI Bank merely contained "paper assets", the "true value of which cannot be determined". Pua today said Malaysians wanted to know if the account in BSI Bank indeed held cash, or just paper assets, and if 1MDB could repay the loan in time.

"It will also provide great comfort to Malaysians if 1MDB can prove its ability to repay the loan because the last time, it had to beg local billionaire Tan Sri Ananda Krishnan

to arrange a group of private investors to help pay-off a RM2 billion local loan.”

Pua was referring to the Finance Ministry’s revelation in March that the tycoon’s Tanjong Public Limited Company had helped 1MDB secure the cash it needed for a RM2 billion loan instalment in February.

Sources familiar with the matter told The Malaysian Insider that it was “an Ananda bailout”, and the payment came in six days before bankers triggered a default. – May 14, 2015.

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