

Arrest ex-1MDB chief if he can't explain PetroSaudi deal, says Tony Pua
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Former 1Malaysia Development Berhad (1MDB) chief executive officer Datuk Shahrol Halmi must be charged with criminal breach of trust if he fails to explain a joint venture with PetroSaudi and a US\$700 million (RM2.9 billion) transfer to Good Star Limited, DAP lawmaker Tony Pua said.

The DAP national publicity secretary and Petaling Jaya Utara MP said Shahrol must be charged with fraud and even abetting embezzlement if no explanation was forthcoming.

"Shahrol must explain to taxpayers why he allowed US\$700 million to be misappropriated to Good Star Limited and why he should not be charged with criminal breach of trust with the latest board minutes exposed by the Sarawak Report," Pua said in a statement today.

Whistle-blower site Sarawak Report recently released the minutes of 1MDB's board meeting on October 3, 2009, which recorded that the board directors were furious with the top management team led by Shahrol (pic).

According to the minutes, 1MDB had gone ahead with the signing of the joint venture with PetroSaudi International Limited (PSI) without specific knowledge and approvals from the board.

The top executives of 1MDB also transferred US\$700 million of the proposed investment to an account unrelated to the joint venture company (JVco).

The money went to Good Star, which is controlled by 1MDB's official adviser, Low Taek Jho, who is better known as Jho Low.

The minutes showed the board, which had an understanding that the full US\$1 billion (RM4.18 billion) was to be wired to a joint bank account under the name of the joint venture company, was not consulted about the change of plans concerning the money.

The board had demanded the US\$700 million be returned "so that the funds could be remitted through the originally agreed channel".

Pua also questioned whether Shahrol defied the board because of his own wilfulness, or because he dared to do so because "even more powerful personalities" had instructed him to.

He said it was unbelievable that Shahrol remained today as a 1MDB director.

"Perhaps Shahrol's performance is so impressive that (Prime Minister) Datuk Seri

Najib Razak has also made him a director in Performance Management Delivery Unit (Pemandu) of the Prime Minister's Department."

Pua stressed that Shahrol owed Malaysians an explanation because 1MDB was a wholly owned Finance Ministry subsidiary.

"Today, 1MDB is in a desperate need of a multi-billion ringgit bailout from taxpayers. It is also today a major cause of the collapse of confidence in the Malaysian economy and ringgit, bringing untold hardship to the man-on-the-street because of the scandal he ignited.

"If he fails to explain himself, Shahrol must be charged with criminal breach of trust, fraud and even abetting embezzlement."

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