

**Heads must roll over 1MDB-IPIC fiasco, Amanah tells AG**  
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**Amanah says 1MDB-IPIC settlement shows crimes have been 'undoubtedly committed' but while foreign nations have acted against those involved in the 1MDB scandal, Malaysia has not.**

KUALA LUMPUR: The settlement between Abu Dhabi's International Petroleum Investment Company (IPIC) and 1MDB has revealed how rotten the situation really is, according to Amanah.

Its strategy director Dr Dzulkefly Ahmad said today it was "despicable" that Malaysians would have to fork out a total of US\$7.01 billion for the faults of the 1MDB management.

He called on Attorney-General Apandi Ali to stop skirting the issue any more and to grab the bull by its horns.

Dzulkefly said: "So AG, if you still have the nation's interest at heart, justice must be done and heads must undoubtedly roll."

Following a dispute over payments involving two US dollar bonds amounting to US\$3.51 billion, 1MDB and IPIC took the case to the London Court of International Arbitration. However, on April 25 a statement was issued saying they had reached an out-of-court settlement.

The Amanah leader said in a statement today that Malaysia had finally been forced to eat humble pie and admit, in settling the dispute between 1MDB and IPIC, that 1MDB had "wrongly paid" a bogus IPIC subsidiary.

He was referring to the insistence by government ministers and 1MDB officials earlier that 1MDB had in fact paid US\$3.51 billion to an IPIC subsidiary, Aabar Investment PJS Limited or Aabar (BVI), a company registered in the British Virgin Islands.

IPIC, however, publicly declared that Aabar (BVI) was not its subsidiary even though it carried the same name as its own subsidiary, Aabar Investment PJS, a company registered in Abu Dhabi.

Following the dispute settlement, IPIC informed the London Stock Exchange that, under the agreement, it would receive US\$1.205 billion (RM5.32 billion) from 1MDB by the end of this December.

IPIC has, at the same time, discharged itself entirely as a guarantor for 1MDB's US\$3.5 billion worth of bonds.

Dzulkefly said this meant that 1MDB now would assume responsibility for all future interest and principal payments for the two bonds issued by 1MDB due in 2022. The bonds were issued by 1MDB Energy (Langat) Ltd (for US\$1.75 billion, fixed rate 5.75%) and 1MDB Energy Ltd (US\$1.75 billion, fixed rate 5.99%).

"1MDB has said that these obligations will be mainly met by the monetisation of 1MDB investment fund units. That is really a double-whammy! Why? Now Malaysians have to fork out a total of US\$7.01 billion – firstly paying the bogus IPIC US\$3.5 billion and now another US\$3.5 billion for the two bonds? Despicable!"

Noting that the 1MDB management had earlier informed the auditor-general and the Public Accounts Committee that they were correct in making such a payment, Dzulkefly said the settlement had exposed their "many lies and deceits".

He said the United States Department of Justice (DoJ) had outrightly stated that Aabar (BVI) was a fraudulent impostor company but the 1MDB management had unashamedly insisted that it was a wholly-owned subsidiary of the IPIC group.

He said: "With the arbitration concluded, the winner and loser announced, the Malaysian attorney-general must now act to get to the real culprits. Heads must roll. There is no two ways about it anymore.

He said crimes had been "undoubtedly committed" and it was only a matter of determining the culpability of those involved, such as the 1MDB board, the former CEO, financier Jho Low and his many associates.

He regretted that action against those involved in the 1MDB scandal and related dealings had been taken by foreign nations, but not in Malaysia itself, where it all started and where most of the transactions took place.

"While Khadem Al-Qubaisi and Mohamed Badawy Al-Husseiny were both criminalised by the Abu Dhabi authority and several banks and banking officials in Singapore and Switzerland similarly met the long arm the law, will Malaysia's AG finally take the bull by its horns?

"Will he finally be consistent with the law and his constitutional mandate and act similar to the Swiss AG, Abu Dhabi and Singapore authorities?"

Dzulkefly called on Apandi to “act now”, adding that it would be at least a case of breach of trust or, at worst, a case of an “international conspiracy to perpetrate fraud on an unprecedented scale on the misadventure that is the 1MDB fiasco”.

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