

Najib files application to strike out 1MDB suit

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By V Anbalagan

The prime minister says Mohd Ezam Md Noor has no legal standing and that he is being wrongly dragged into the suit.

KUALA LUMPUR: Najib Razak has filed an application to strike out a suit against him by former senator Mohd Ezam Md Noor over losses suffered by 1Malaysia Development Berhad (1MDB).

Lawyer Mohd Hafarizam Harun, who represented the prime minister, said the application was filed yesterday and court papers were served today to counsel appearing for Ezam.

“We have also filed stay of proceedings pending the disposal of the striking out application,” he told reporters after a case management in the chambers of Justice Nik Hasmat Nik Mohamad.

Hafarizam said the striking out application was filed as Ezam had no legal standing to file the suit while Najib was wrongly made a party to the action.

Nik Hasmat fixed the next case management for Aug 22 to allow the court to give parties further direction.

On April 14, Ezam named the prime minister and 13 current and former 1MDB directors in his court action, demanding that they return at least US\$3.657 billion (RM16.14 billion) to the sovereign fund.

Ezam claimed that the money borrowed by 1MDB was lost due to breach of fiduciary duty by these individuals.

He said the directors, who held their posts between 2009 and last year, were named as defendants because they lost the money and did not take steps to recover it.

He said since Najib was also the finance minister, the government would not take any legal action.

The directors named are Mohd Irwan Serigar Abdullah, Kamal Mohd Ali, Norazman Ayob, Che Lodin Wok Kamaruddin, Ismee Ismail, Ong Gim Huat, Shahrol Azral Ibrahim Halmi, Ashvin Jethanand Valiram, Arul Kanda Kandasamy, Mohd Hazem Abd Rahman@Mohamed, Mohd Bakke Salleh, Azlan Mohd Zainol and Tengku Rahimah Puteri Mahmud Shah.

Also named as party to the suit are 1MDB and the Malaysian government.

In his statement of claim, Ezam said between 2009 and 2011, eight directors transferred US\$1.03 billion to Good Star Limited (GSL) for use in a joint venture with PetroSaudi International Ltd (PSI).

He said in 2012, they transferred US\$1.367 billion to Aabar Investment PJS Ltd, a company incorporated in the British Virgin Islands (Aabar BVI).

The company has an almost identical name to Aabar Investment PJS, a subsidiary of International Petroleum Investment Company (IPIC), which was to be paid the money.

Ezam said in 2013, seven directors paid US\$1.26 billion to Tanore Finance Corporation (TFC) for a joint venture with Aabar to establish Abu Dhabi Malaysia Investment Company Ltd (ADMIC).

He said 1MDB and the government had, as a result, suffered losses and damages.

Ezam said he was filing the suit in his capacity as a citizen and taxpayer as he would be burdened to repay the loans taken by 1MDB.

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