STATUTORY DECLARATION DATO ABDUL MURAD KHALID

I, Dato’ Abdul Murad Bin Khalid (NRIC No. 531215-08-5957), a Malaysian citizen of full age and care of No. 104, Jalan Setiabakti 9, Bukit Damansara, 50490 Kuala Lumpur, do hereby solemnly and sincerely declare as follows:-

1. On 16th September 1999 I was charged with failing to disclose truthfully information on Ben Harta Sdn Bhd (BHSB) shares and 51 of its properties allegedly held for my benefit pursuant to section 87(2)(c) Banking and Financial Institutions Act 1989 (BAFIA).

2. In order to do justice for my own sake, I must make a public declaration on certain matters connected with the various positions I held in Bank Negara Malaysia (BNM) so as to show to the public at large the nature and stresses/strains that were attendant to these positions. This public statement is also intended to provide the public with the proper perspectives of the machinations of the former Deputy Prime Minister Datuk Seri Anwar Ibrahim (“DSA1”) who was also the Finance Minister and hence the Minister directly in command of BNM.

3. As one of the top executives in BNM, I invariably came into contact with Datuk Seri Anwar Ibrahim who took a liking for me – and subsequently entrusted me to carry out some of his instructions, what has come to be believed by me now to further his political ambitions. In furtherance of his political scheme, Datuk Seri Anwar Ibrahim instructed me to implement certain corporate exercises in favour of his friends and cronies. The debts of his cronies were cleared/settled using the profits from deals using the influence of BNM.

4. Amongst the most significant corporate exercises is the takeover of Sikap-Power, the concession holder of the Independent Power Project (IPP) at Lumut, Perak. The concession was sold to MRCB on the instruction of Datuk Seri Anwar Ibrahim and MRCB later injected the ‘concession’ into Malakof Berhad, which is the subsidiary of MRCB. I believe that a profit of about RM50 million from this deal went to one of DSA1’s political funds.

5. A male Chinese named Tong Kooi Ong, is also involved significantly in raising, financial assistance for Datuk Seri Anwar Ibrahim. Tong Kooi Ong is the Chief Executive Officer (CEO) of Phileo Allied Berhad, which is listed on the Main Board of the KLSE. Phileo Allied Bank is also under the control
of Tong Kooi Ong. Tong Kooi Ong came into contact with Datuk Seri Anwar Ibrahim on mv
introduction and they subsequently became very close. Tong Kooi Ong subsequently disclosed to me
that in return -for the favours granted to him by Datuk Seri Anwar Ibrahim, he had established a
“Master Account” -under his control. From which financial contributions could be made for the
interests of Datuk Seri Anwar Ibrahim. This Master Account is to derive revenues from the holding of
shares and buildings. At one point Tong Kooi Ong confided in me that the Master Account was worth
RM200 million based on the values of shares and building assigned to it.

6. I believe there are at least 20 other “Master Accounts” established for Datuk Seri Anwar Ibrahim by
his various cronies. I believe that the total funds in these 20 Master Accounts run into more that RM3
billion. DSAI’s modus operandi is to divide and rule and the operator of each Master Account is not
aware of the existence of the other Master Accounts. I believe the Government is aware of who these
cronies are.

7. As far as I know and through my own involvement, more than RM120 Million has been paid to
Datuk Seri Anwar Ibrahim, his cronies and the organisations he used to advance his own political
ambitions. For example it is within my personal knowledge that on the instructions of Datuk Seri
Anwar Ibrahim funds from the Master Account was paid to himself and the following persons and
organisations known to be affiliated or connected to him between 1992 to 1997:-

(1) to himself (DSAI) – RM50 million
(2) Dato Abdullah Ahmad (UN) – RM 5 Million
(3) Dato Nasaruddin Jalil – RM10 Million
(4) Asia Pacific Policy Centre (APPC) – RM 38 million & Douglas H. Paal – (USD 10.0 Million)
(5) Institut Kajian Dasar – (IKD)RM5 Million
(6) Aliran & Dr. Chandra Muzaffar – RM5 Million
(7) ABIM – RM 5 Million – International Institute of Islamic Thoughts (IIIT) – RM 2 Million
(8) A UK-based Islamic Foundation – RM 1 Million

TOTAL RM 121 Million

8. I am also informed that Datuk Seri Anwar Ibrahim instructed Tong Kooi Ong to take into his
employ Puan Shamsidar and one Encik Rahman, which he did. Puan Shamsidar is the wife of Encik
Azmin Ali, the Private Secretary to Datuk Seri Anwar Ibrahim. It is widely known that Puan
Shamsidar is generously remunerated and is provided with a car and driver and most of the time she did not need to go to work.

9. I must make a special mention of the American based Organisation called Asia Pacific Policy Centre (APPC) headed by Douglas H. Paal, the former Senior Director from Asian Affairs (1989 to 1993) of the National Security Council (NSC) of the United States of America. Douglas H. Paal left the National Security Council to start APPC in 1993 funded mainly by contributions from Datuk Seri Anwar Ibrahim. I was responsible for arranging USD 10 Million in contributions to APPC and Douglas H. Paal on Datuk Seri Anwar’s instructions. I believe that other cronies of Datuk Seri Anwar Ibrahim also made substantial contributions to APPC and Douglas H. Paal. Although I cannot ascertain the exact quantum of their contributions, I am convinced that they ran into millions of US Dollars. APPC and Douglas H. Paal are one of the main vehicles used by Datuk Seri Anwar Ibrahim to promote his image in the Western countries, mainly in Washington, USA and the United Kingdom and other European nations. APPC also lobbied strongly for Datuk Seri Anwar Ibrahim with the international media organisations.

10. APPC organised “The Pacific Dialogue” conferences under the patronage of Datuk Seri Anwar Ibrahim. The First Pacific Dialogue was held in Penang sometime in November 1994. The Second Pacific Dialogue was held in January 1996, the Third Pacific Dialogue in November 1996 and the Fourth Pacific Dialogue in January 1998. There was supposed to be a Fifth Pacific Dialogue to be held in December 1998 but it was cancelled because the Patron was no longer the Deputy Prime Minister and Finance Minister of Malaysia. All the Pacific Dialogue conferences were held in Malaysia because Datuk Seri Anwar Ibrahim was the major source of funding for APPC.

11. In what I strongly believe as tantamount to a betrayal of public trust, Datuk Seri Anwar Ibrahim also insisted that APPC should manage BNM’s reserves of RM50 Billion and the EPF fund in return for the services provided to him by APFC. Alternatively a hefty fee of USD 3 Million was to be paid annually to APPC for the cost of running the Centre in Washington. Fortunately this instruction of Datuk Seri Anwar Ibrahim for APPC to manage the above funds was never put into effect. What I have stated above goes to prove without doubt that Datuk Seri Anwar Ibrahim was indeed an unscrupulous leader who was prepared to sacrifice the country’s coffers for the benefit of its political ambition with the help of foreign element. The current developments that are taking place in the country which threatened the public peace and well being of the Rakyat to further Datuk Seri Anwar
Ibrahim’s political ambition are ample proof to support this assertion.

12. I was also directed by Datuk Seri Anwar Ibrahim, then already appointed as the Finance Minister, to assist the following persons to clear their debts as described below:-

(a) Datuk Seri Anwar Ibrahim instructed me to help settle the debt of Tan Sri Abdullah Ahmad (now the permanent representative to the United Nations) with Bank Bumiputra of more than 10 Million. I helped to negotiate the settlement amount of RM7 Million. An amount, of RM5 Million was taken from the Master Account to help pay the debt. The balance of RM2 Million came from Tan Sri Ahmad Abdullah from the sale of his land.

(b) Datuk Seri Anwar Ibrahim instructed me to help settle Puan Marina Yusof’s debt with local banks amounting to more than RM20 Million. I presented her application to the Tabung Pemulihan Usahawan (TPU) for assistance to develop her land along Jalan Tun Razak, on which is now the completed Complex Marinara. The TPU panel approved her application. Puan Marina Yusof is extremely grateful to Datuk Seri Anwar Ibrahim.

(c) Penang based Mercury Securities owed MUI Bank more than RM10 million secured by a 3rd party land charge. The majority shareholder is Chew Seng Guan and one Encik Ahmad Kamal whom Datuk Seri Anwar Ibrahim groomed to be up-and-coming Bumiputera businessman and politician. I subsequently helped to arrange for the sale of the land to Matang Emas Sdn. Bhd. a company owned by Encik Taib Hamid, the sale of which incidentally also sorted out some of Encik Taib Hamid’s personal problems. The same piece of land was later sold to TPPT Sdn Bhd by Encik Taib for a low cost housing project which is now known as Taman Tun Perak.

(d) Datuk Seri Anwar Ibrahim instructed me to help Dato’ Nazri Abdullah’s Group to take over NST Group from Renong. I sought the assistance of Hong Leong Group to structure the deal. I spoke to Seow Lun Hoo and Quek Leng Chan of Hong Leong. They proposed that Dato’ Nazri’s Group use MRCB as vehicle to take over the shares of NST. I then spoke to Maybank to arrange a loan for Dato’ Nazri to buy into MRCB and another loan for MRCB to buy into NST.

(e) I was directed by Datuk Seri Anwar Ibrahim to help Encik Faiz Abdullah (Datuk Seri Anwar Ibrahim’s ghost writer), together with Seow Lun Hoo of Hong Leong to buy into Kewangan Usaha
Bersatu Berhad (KUBB), then owned by Idris Hydraulic Berhad. The scheme involved using Arus Murni Berhad formerly known as Timuran Berhad, a company listed on the Main Board of the KLSE as the holding company. I approached the following banks to help syndicate the loan for the purchase of KUBB shares costing above RM400 million:


Faiz Abdullah is a very clever ghost writer and political operator for Datuk Seri Anwar Ibrahim. He is also a lawyer, ex-journalist and ex-Special Branch police officer.

13. My involvement with Tong Kooi Ong and “Master Account” in furtherance of Datuk Seri Anwar Ibrahim’s instructions landed me in trouble with the law. On 16th September 1999 I was charged with failing to disclose truthfully information on Ben Harta Sdn Bhd shares and 51 of its properties allegedly held for my benefit totalling RM23.9 million.

14. I must state that I never knew the two gentlemen purported to be the shareholders of Ben Harta Sdn Bhd i.e Gan Hong Sin @ Lan Hong Sing and Gan Sor Ting. Tong Kooi Ong did indicate to me that this company holds properties and shares as part of the scheme to raise funds for Datuk Seri Anwar. I have never been shown or seen the books of the Master Account handled by Tong Kooi Ong. I am not aware of any shares held by Ben Harta on my behalf, nor the locations of the 51 properties allegedly also held on my behalf, except one (1) apartment and one (1) bungalow which I was entrusted to maintain for purpose of investment and to be later sold for the Master Account.

15. I strongly believe that wrong information has been given to the authorities implicating me with Ben Harta Sdn Bhd. I point my finger at Tong Kooi Ong and the two shareholders of Ben Harta. They have implicated me to save their own skin.

16. Apart from the properties held under Ben Harta Sdn Bhd. I also know that a few properties have been bought for investment and the Master Account and for Datuk Seri Anwar Ibrahim’s future personal use. These properties located around Kuala Lumpur are valued at about RM15 million.

17. As regards the damaging policies adopted by BNM following the economic recession in July 1997, I must categorically state that I was opposed strongly to these policies. I opposed the “Legal Lending
Limit”, the reduction of NPLs (non-performing loans) from 6 months to 3 months, the “Credit Crunch” introduced in October 1997 and the Higher Rate of Interest. These were all policies endorsed and adopted by Datuk Seri Anwar Ibrahim. A few concerned BNM officers/executives and I tried to halt these policies from being implemented. Datuk Seri Anwar Ibrahim even censured me for speaking out against these policies. He accused me of being “too close to the market”. I now realise that these harsh measures - were Datuk Seri Anwar Ibrahim’s political plan to crush the economy and bring Malaysia to its knees in order to invite in the International Monetary Fund (IMF) to enable Datuk Seri Anwar Ibrahim to force Dr Mahathir to resign and take over the Prime Minister’s position.

18. Following my arrest and my subsequent resignation as Executive Director of RHB Bank Berhad I have thought over my involvement with Datuk Seri Anwar Ibrahim and have come to realise that what I have done, though as I said earlier was forced upon me as one of the Executives in BNM, is indeed very regrettable. I now realise that I have been exploited and made use of by Datuk Seri Anwar Ibrahim to hold assets for his political and personal use and benefit. These assets including those held under Ben Harta, do not belong to me. As such, it is up to the government to take the necessary legal action in respect of their disposal, including forfeiture if permissible.

19. I now call upon all peace loving and loyal citizens of Malaysia to reject all the political manoeuvres by Datuk Seri Anwar Ibrahim and his supporters and instead support all the economic and fiscal efforts to bring back the economic well being of the country. I am ever ready and willing to go public to denounce the improprieties and machinations of Datuk Seri Anwar Ibrahim in furtherance of his political ambitions that are indeed detrimental to national peace, security and political stability.

20. In conclusion, I state in unequivocal terms that this Press Conference/Release made by way of Statutory Declaration was made by me voluntarily, without any inducement, threat or promise or coercion from any quarter, nor in return for any favours or special treatment in connection with the charge that I am now facing AND I make this solemn declaration conscientiously, believing the same to be true and by virtue of the Statutory Declaration Act, 1960.

Signed by the above named

DATO’ ABDUL MURAD BIN KHALID
at Kuala Lumpur, the day of 26 Oct 1999.