

Falcon Bank under radar over USD681 million 'donation'

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KUALA LUMPUR: Authorities in Singapore and Malaysia, according to the New York Post, are probing Falcon Bank over the mysterious transfer of USD681 million from 1MDB to Prime Minister Najib Abdul Razak before GE13 in 2013.

"There's a laser like focus on Falcon Bank from the authorities in the US, Singapore and Switzerland", one source in Singapore told the Post. "

Another source said the US regulators would remove Falcon from the "wire system", for example, if it's caught for rogue activities.



That would hamper Falcon's operations.

The bank did not respond last week for a comment. Earlier, it said that it was "fully transparent and co-operative with the current investigations".

The Zurich-based bank is a manager for wealthy clients. It has long been suspected by investigators of money laundering and bribing foreign officials. That's like peeking into the often secretive world of Swiss banking.

Falcon was acquired in 2009 by an Abu Dhabi sovereign wealth fund from the American International Group, the US insurance giant.

The Falcon "imbroglio", said the Post, is the latest development on the 1MDB Scandal.

L. Burke Files, who heads a private anti-fraud agency, had questions earlier this month about Bridge Global Absolute Return Fund, a Cayman Islands fund for 1MDB.

"It appears that the Fund was less than a month old when billions were deposited into its accounts," he told the Post. "The company had been formed but not registered and licensed as a fund."

Questions over Bridge saw the exit of Tim Leissner in February from Goldman Sachs as its Southeast Asia Chairman. There were concerns expressed about its Malaysian fund's operations.

The Post noted.the Attorney General (AG) in Malaysia has cleared Najib of any wrongdoing on the USD681 million. The AG said it was a legal donation from a Saudi prince and the bulk of the money was returned.

1MDB is a Malaysian Ministry of Finance-owned company.

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