

Dati' Sri Hj. Abu Kassim bin Mohamed
Chief Commissioner
Malaysian Anti-Corruption Commission
Block D6, Complex D
Federal Government Administrative Centre
P.O. Box 6000
62007 Putrajaya
MALAYSIA

The Honorable Tan Sri Abdul Gani Patail
The Attorney General of Malaysia
Attorney General's Chambers
No. 45 Persiaran Perdana
Precinct 4
62100 Putraya
MALAYSIA

Tan Sri Haji Ismail bin Haji Omar
Inspector General of Police
Ibu Pejabat Polis Diraja Malaysia
Bukit Aman
50560 Kuala Lumpur
MALAYSIA

BY REGISTERED MAIL

13th December 2011

**Requested arrest and criminal prosecution of Abdul Taib Mahmud,
Chief Minister of Sarawak, and thirteen family members**

Dear Attorney General,
Dear Chief Commissioner,
Dear Inspector General,

We are writing to you to request the immediate arrest and criminal prosecution of Abdul Taib Mahmud, Chief Minister of Sarawak, and thirteen of his family members as co-conspirators in the illegal appropriation of public funds, the abuse of public office, the illegal appropriation of state land, fraud, larceny, corruption, systematic exploitation of conflicts of interest, suspected money-laundering, and conspiracy to form an international criminal organization.

These activities have been undertaken in Malaysia and other countries during Mr. Taib's period in office as Chief Minister of the State of Sarawak since 26 March 1981 and that these activities are still ongoing.

Personal details of the accused and his co-conspirators:

The principal accused

1) Abdul Taib Mahmud, born 21 May 1936, IC 360521-13-5015

Co-conspiring children of the accused

2) Jamilah Hamidah Taib Murray, born 19 September 1960, IC 600919-71-5044

3) Mahmud Abu Bekir Taib, born 3 November 1963, IC 631103-13-5057

4) Sulaiman Abdul Rahman Taib, 31 May 1968, IC 680531-13-5169

5) Hanifah Hajar Taib, born 28 August 1972, IC 720828-14-5126

Co-conspiring siblings of the accused

6) Ibrahim bin Mahmud, born 1 March 1943, IC 430301-13-5487

7) Aisah Zainab binti Mahmud, born 5 January 1947, IC 470105-13-5320

8) Zaleha binti Mahmud, born 19 September 1949, IC 49019-13-5416

9) Onn bin Mahmud, born 2 December 1949, IC 491202-13-5261

10) Mohamad Ali bin Mahmud, born 21 December 1950, IC 501221-13-5343

11) Mohd Tufail bin Mahmud, born 28 September 1952, IC 520928-13-5025

12) Amar Hajar Fredahanum Mahmud, born 25 December 1953, IC 531225-13-5080

13) Raziah binti Mahmud, born 24 November 1955, IC 551124-13-5080

Co-conspiring first cousin of the accused

14) Abdul Hamed bin Sepawi, born 31 May 1949, IC 490531-13-5129

We understand that the Malaysian Anti Corruption Commission (MACC) opened a formal investigation into Abdul Taib Mahmud earlier this year, as publicly announced on 9 June 2011 by Chief Commissioner Abu Kassim Mohamed.¹ We also understand that the authorities in Australia, Germany, Switzerland, the United Kingdom and presumably also Canada have started looking into Mr. Taib's and his family members' suspected illegal activities, in particular the potential laundering of illicit assets in these countries.²

However, we firmly believe that it is not enough for MACC to announce a public investigation, and immediate police action should be taken. Ample evidence of Mr. Taib's and his co-conspirators' offences is available, and the above-mentioned suspects might use their remaining time in freedom to destroy evidence, to intimidate possible witnesses and to transfer their substantial illicit assets out of the country. We are also seriously concerned that the MACC investigation might be hindered by undue political interference and that, while remaining a free man, Mr. Taib might use his political influence and substantial private means to prevent the Malaysian law-enforcement agencies from fulfilling their duties.

¹ *MACC investigates Taib Mahmud over timber corruption allegations*, Bernama, 9 June 2011.

² Communications to the Bruno Manser Fund by the Australian Department for Foreign Affairs and Trade, 28 September 2011, the German Finance Ministry, 05 September 2011, the Swiss President, 08 April 2011, the British Foreign and Commonwealth Office, 08 November 2011, the Canadian Minister of Finance, 14 September 2011 and the Royal Canadian Mounted Police, 26 July 2011. See www.stop-timber-corruption.org/resources.

We would also like to remind you that, as a party to the UN Convention against Corruption, Malaysia has committed itself - and thus has a strong international obligation - to efficiently combat public corruption and to assist the investigating authorities in other countries.

Evidence against the accused and his co-conspirators

By using publicly available information from the records at the Companies Commission of Malaysia and from official company registries around the world, the Bruno Manser Fund has identified 332 Malaysian and 85 foreign companies of which Abdul Taib Mahmud, his late wife Leijla, his four children, his nine siblings and his first cousin are directors, direct shareholders or indirect shareholders. Please find enclosed a comprehensive list of these companies and the names of the Taib family members involved (Exhibits 1,2, 3,4).

We allege that only the systematic breach of the law and the use of illegal methods has enabled Mr. Taib and his family members to acquire such massive corporate assets. Mr. Taib has been a state-paid public servant and government minister ever since 1963 and did not possess any significant independent assets prior to taking up office.

Mr. Taib is also accused of systematically and unduly favoring a number of family-linked companies by awarding them highly profitable untendered public contracts, hundreds of thousands of hectares of timber or plantation concessions and land leases, as well as other privileges.³

By way of an example, the Taib family-controlled Cahya Mata Sarawak has benefited massively from the construction of the new Sarawak State Assembly Building and holds an exclusive 10-year contract for the maintenance of all public roads in Sarawak. We also understand that the company has a monopoly on the production of cement, an essential raw material whose import to Sarawak has been forbidden by the state government.

A second example is the undue monopolistic control over timber exports by the Taib-family-owned Achi Jaya Holdings through its subsidiary, Dewan Niaga (Sarawak) Sdn Bhd. As uncovered by the Tokyo (Japan) tax authorities in 2007, this has allowed the Taib family, over a period of many years, to request Japanese shipping companies to pay millions of dollars of kickbacks to Hong Kong-based Chinese national, Shea Kin Kwok, an employee of the Chief Minister's brother, Onn Mahmud.⁴

A third example of the massive corruption and abuse of public office by Abdul Taib Mahmud is the Taib-family-linked Ta Ann Holdings Bhd, a company that holds net assets of close on 1.4 billion Malaysian Ringgits. Since its beginnings in the 1980s, Ta Ann Holdings and its subsidiaries have been granted over 362,439 hectares of logging

³ For an overview of the massive scale of land transactions between the Sarawak government and Taib family-linked companies, see www.sarawakreport.org/2011/03/we-release-the-land-grab-data.

⁴ *Wood carriers allegedly hid 1.1 billion yen income*, Japan Times, 29 March 2007; *RM32 mil kickbacks for Sarawak timber*, Malaysiakini, 6 April 2007; Tony Chan: *In Malaysia, Sarawak Has a Cash Register on the Port*, Asia Sentinel, 14 November 2007; *Timber kickbacks: The Shea connection*, Malaysiakini, 12 September 2007.

concessions and 313,078 hectares of plantation concessions in Sarawak.⁵ All these concessions have been granted by Abdul Taib Mahmud without public tender. Ta Ann's wealth is thus entirely based on corruption, and its chairman, Hamed bin Sepawi, who happens to be Taib's first cousin, continues to be one of Taib's closest business cronies and allies.⁶

According to our calculations, which are based entirely on official Malaysian records, the Taib family stake in the cumulated net assets of 271 Malaysian companies is several billion Malaysian Ringgits (Exhibit 3).⁷ The known Taib family stake in the net assets of 14 large companies alone (all completely independent of one another) is greater than 4.6 billion Malaysian Ringgits, i.e. 1.46 billion US dollars (Exhibit 4).⁸

Company Name	Company Number	Net Assets of Company (million RM)	Known Taib Family Stake in Company	Taib Family Net Assets in Company (million RM)
Achi Jaya Holdings Sdn. Bhd.	108872-V	550.1	100%	550.1
Cahaya Mata Sarawak Berhad	21076-T	2451.5	84.07%	2059.3
Custodev Sdn. Bhd.	104266-W	1578.8	25%	394.7
KBE (Malaysia) Sdn. Bhd.	83321-T	91.2	60%	54.7
Lembah Rakyat Sdn. Bhd.	320520-H	286.5	99.5%	285.0
Naim Holdings Berhad	585467-M	1076.7	16%	172.3
Perkapalan Damai Timur Sdn. Bhd.	191239-M	387.0	60%	232.2
Sanyan Holdings Sdn. Bhd.	413109-V	109.6	86.25%	94.5
Sarawak Cable Berhad	456400-V	143.0	32%	45.7
Sarawak Plantation Berhad	451377-P	495.4	30.45%	150.9
SIG Gases Berhad	875083-W	93.6	38.35%	16.9
Smartag Solutions Berhad	639421-X	34.4	30.6%	10.5
Ta Ann Holdings Berhad	419232-K	1397.1	35.3%	496.0
Titanium Construction Sdn. Bhd.	528135-P	94.1	60%	56.5
TOTALS		6369.8	N/A	4619.2 (=USD 1.46 billion)

Source: Companies Commission of Malaysia, 2011 (www.ssm.com.my).

⁵ These are official Ta Ann figures. (<http://www.taann.com.my/bs-timber.html> and <http://www.taann.com.my/bs-reforestation.html>, accessed 28 July 2011).

⁶ Apart from chairing Ta Ann, Sepawi is also head of Naim Holdings Bhd, a construction company that is benefiting massively from public contracts in Sarawak, and Chairman of Sarawak Energy, the state's power supply monopolist. See www.naim.com.my and www.sarawakenergy.com.my

⁷ Net assets were calculated from the official Companies Commission records by subtracting the companies' liabilities (current and non-current) from their combined assets (current and non-current) and reserves.

⁸ Companies Commission Malaysia records on the companies mentioned below, extracted between August and November 2011.

We consider, for several reasons, that these figures only reveal the tip of the iceberg and believe that the real corporate assets of the Taib family in Malaysia are much higher. Firstly, a number of Taib family-related companies fail to provide financial information in their official records deposited with the Companies Commission Malaysia. Secondly, the real value of these companies is significantly higher than their net assets. And, thirdly, there is ample reason to believe that Taib and his family members are regularly using nominees in order to conceal their economic interest in a number of companies.

Foreign properties worth hundreds of millions of US dollars

In addition to their massive illicit corporate interests in Malaysia, the members of the Taib family have transferred assets worth hundreds of millions, if not billions, of US dollars out of Malaysia. This is particularly pernicious and detrimental for the economy of Sarawak and Malaysia as a whole and should thus be heavily punished.

In Ottawa, Canada, co-conspirators Onn Mahmud, Jamilah Taib Murray and Abu Bekir have, in the period since 1983, established Sakto Development Corporation and a group of associated companies (Sakto Corporation, City Gate International Corporation and others) that hold properties worth several hundred million Canadian dollars (Exhibits 5 and 6). While Mr. Taib has publicly acknowledged, in a video statement released on Youtube, that he gave his daughter Jamilah the funds to launch her property business, he has not given a sufficient explanation as to the origins of these funds.

In London, United Kingdom, Taib's daughter Jamilah Taib Murray is in control of Ridgeford Properties, a property development company holding luxury properties estimated at several hundred million British pounds. Ridgeford Properties is a wholly-owned subsidiary of the Canadian City Gate International Corporation of which Taib's daughter Jamilah and her Canadian husband Sean Murray are the only directors (Exhibit 7).

In the United States, Taib's son, Sulaiman Rahman Abdul Taib, chairs several corporations which are owned by the Taib family - Wallysons Inc., a Washington corporation, as well as four Californian corporations - W.A. Boylston Inc., W.A. Everett Inc., Sakti International Corporation and Sakti International Holdings Inc. (Exhibits 8, 9 and 10). The properties held by these companies are worth dozens of millions of US dollars.

It is particularly striking that, according to official records, W.A. Boylston Inc. and W.A. Everett Inc. were given to the Taib family **for free** by a US-based property company, CSY Investments, which, at the time, was controlled by Chee Siew Yaw, the son of Yaw Teck Seng, founder and majority shareholder of the Malaysian Yaw Holding Sdn Bhd, Bermuda-incorporated Samling Global ("Samling") and its many subsidiaries in Malaysia and other countries(Exhibit 11).⁹

Samling has benefited massively from Abdul Taib Mahmud's policies and has received land leases and logging concessions in Sarawak for close on 1.9 million hectares.¹⁰ It is

⁹ See <http://www.sarawakreport.org/2010/08/1-dollar-mansion>.

¹⁰ In 2008, Samling held 1.3 million hectares of forest concessions in Sarawak, 531,000 hectares of reforestation concessions and 65,600 hectares of oil palm concessions in Sarawak, all of which were granted by the Taib government. Daniel Faeh: *Development of timber tycoons in Sarawak*, Berne 2009,

strongly suspected that the above-mentioned property companies were given to the Taib family **as a bribe in return for a favour by the Sarawak Chief Minister to Yaw Holding, Samling Global or their subsidiaries.**

Documents disclosed by the late Taib US aide Ross Boyert have further shown that a significant number of shares in Sakti International Holding are being held by Taib's siblings and children "**in trust for Abdul Taib Mahmud**", who is the secret majority shareholder (Exhibit 12). We believe that these internal company documents disclose the **modus operandi** of Abdul Taib Mahmud and allege that most of the companies visibly held by his family members are **de facto owned by the Chief Minister himself.**

In Australia, research by the Bruno Manser Fund has shown that Abdul Taib Mahmud and his co-conspiring family members are closely linked to 22 companies (Exhibit 13). By way of an example, 85% of the shares in Sitehost Pty Ltd, the operator of the Adelaide Hilton, are held by Taib's late wife Leijla and Taib's four children (Exhibit 14).

In Hong Kong, Taib's co-conspiring brother, Onn Mahmud, has been the controlling owner of Richfold Investment Ltd., while his long-term employee, Mr. Shea Kin Kwok, has cashed in kickbacks from Japanese shipping companies who carried Sarawak timber to Japan through Regent Star Company Ltd. Richfold Investment Ltd. and Regent Star Company Ltd. operated from the same offices and were founded in the same week (Exhibits 15 and 16).

Malaysia's obligations towards the international community

Gentlemen, our extended research, numerous media reports and ample documentary evidence from official records leads us to conclude **that Abdul Taib Mahmud and his family members have been involved in systematic criminal activities for three decades, which are still ongoing.**

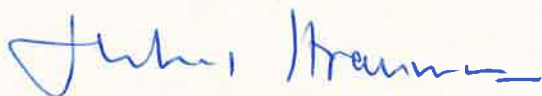
We believe that the criminal nature of Mr. Taib and his family members' "private" businesses can no longer be denied by anyone who is intellectually honest, desirous of seeing the truth and interested in the good of the Malaysian people and, in particular, the people of Sarawak.

We would like to remind you that Malaysia, as signatory to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime, has a strong international obligation to fight corruption and organized crime in an efficient, timely and expedient manner.

We are thus asking you, Gentlemen, to fulfill your duty as leading prosecuting officials of Malaysia and take immediate action against Abdul Taib Mahmud and his 13 co-conspiring family members.

Malaysia's international credibility is at stake over the Taib case.

Yours sincerely,



Dr. Lukas Straumann
Bruno Manser Fund

Co-signatories:

MALAYSIA

- Mark Bujang, Borneo Resources Institute Sarawak (BRIMAS), Miri / Sarawak
- Wong Meng Chuo, Institute for Development of Alternative Living (IDEAL), Sibul / Sarawak.
- Ramuold Siew, Jaringan Tanah Hak Adat Bangsa Asal Sarawak (TAHABAS), Miri / Sarawak.
- Nicholas Mujah Ason, Kuching / Sarawak
- Harrison Ngau, lawyer, HNL Associates, Miri / Sarawak
- Abun Sui, Miri / Sarawak
- Dr. Carol Yong, consultant

AUSTRALIA

- John Seed, Rainforest Information Centre, Sydney
- Jenny Weber, Huon Valley Environment Centre, Huonville / Tasmania

GERMANY

- Reinhard Behrend, Rettet den Regenwald, Hamburg
- Hermann Edelmann, Pro Regenwald, Munich

JAPAN

- Akira Harada, Director, Japan Tropical Forest Action Network (JATAN)

UNITED KINGDOM

- Saskia Ozinga, Forest and the European Union Resources Network (FERN), Moreton-in-Marsh / Brussels
- Clare Rewcastle, Sarawak Report, London
- Nicholas Hildyard, The Corner House, London

INTERNATIONAL

- Greenpeace



Copies to:

- Datuk Seri Najib Tun Razak, Prime Minister, Malaysia
 - Micheline Calmy Rey, Minister of Foreign Affairs, Switzerland
 - The Hon Kevid Rudd, Minister of Foreign Affairs, Australia
 - Hillary Rodham Clinton, Secretary of State, USA
 - The Hon Jeremy Browne, Foreign and Commonwealth Office, United Kingdom
 - The Hon James Flaherty, Minister of Finance, Canada
 - Wolfgang Schäuble, Minister of Finance, Germany
 - Dr. Guido Westerwelle, Minister of Foreign Affairs, Germany
 - Prince Albert II, Monaco
-
- UN Secretary General Ban Ki-moon, New York
 - UN Office on Drugs and Crime, Mr. Yuro Fedotov, Vienna
 - Office of the UN High Commissioner for Human Rights, Geneva
 - The Commonwealth Secretariat
 - Interparliamentary Union
 - Foreign Relation Committee of the US Senate, John Kerry, United States
-
- Royal Canadian Mounted Police
 - FBI Director Robert Mueller
 - US Dept. of Justice, Kleptocracy Asset Recovery Initiative
 - Serious Organized Crime Agency (SOCA), UK
 - Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) Germany
 - Swiss Financial Market Supervisory Authority (FINMA)
 - Australian Federal Police
 - Joint Financial Intelligence Unit, Hong Kong
 - Interpol
-
- Embassies and High Commissions in Malaysia: Australia, Brunei Darussalam, Cambodia, Canada, Fiji Islands, France, Germany, India, Indonesia, Japan, Kingdom of Saudi Arabia, New Zealand, Norway, People's Republic of China, Philippines, Singapore, Sri Lanka, Sweden, Switzerland, Thailand, United Arab Emirates, United Kingdom, United States, Vietnam
-
- Editors of: Malaysiakini (Malaysia), Free Malaysia Today (Malaysia), New Straits Times (Malaysia), The Star (Malaysia), The Straits Times (Singapore), Jakarta Globe (Indonesia), The Bangkok Post (Thailand), Asia Sentinel, ABC News (Australia), Sydney Morning Herald (Australia), South China Morning Post (Hong Kong), New York Times (US), Wall Street Journal (US), Washington Post (US), Financial Times (UK), CNBC (US), CNN (US), BBC News (UK) The Economist (UK), The Guardian (UK), The Independent (UK), The Sunday Times (UK), The Times (UK), Le Monde (France), Libération (France), Frankfurter Allgemeine Zeitung (Germany), Der Spiegel (Germany), Tagesschau (Germany), Der Standard (Austria), CBC (Canada), The Globe and Mail (Canada), The Ottawa Citizen (Canada), The Japan Times (Japan)
-
- CEOs of Accor Group (France), Credit Suisse (Switzerland), Deutsche Bank (Germany), Goldman Sachs (US), HSBC (Hong Kong/UK), Macquarie Group (Australia), Marriott Hotel Group (US), Marubeni Corporation (Japan), Mitsubishi Group (Japan), Rio Tinto (UK/Australia)
-
- Chancellor of the University of Adelaide (Australia)

List of Exhibits

All the exhibits are available online under www.stop-timber-corruption.org/resources

Exhibit 1: Overview of the Taib family

Exhibit 2: List of 417 Taib family-linked companies in Australia, Bermuda, the British Virgin Islands, Brunei Darussalam, Cambodia, Canada, the Cayman Islands, Fiji, Hong Kong, India, Indonesia, Jersey, the Kingdom of Saudi Arabia, Labuan, Malaysia, New Zealand, the People's Republic of China, the Philippines, Singapore, Sri Lanka, Thailand, the United Arab Emirates, the United Kingdom, the United States of America and Vietnam. (Sources: Company registries of these countries / annual reports of Taib companies)

Exhibit 3: 332 Taib family companies in Malaysia and their net assets (Source: Companies Commission, Malaysia)

Exhibit 4: Detailed financial information on 14 major Taib family-controlled companies in Malaysia (Source: Companies Commission, Malaysia)

Exhibit 5: List of Canadian companies with links to the Taib family (Sources: Industry Canada; Ministry of Government Services, Province of Canada)

Exhibit 6: Industry Canada records on Sakti Corporation (Source: Industry Canada)

Exhibit 7: Annual Return 2001 and latest annual return of Ridgeford Properties Ltd., London, UK (Source: Companies House, UK)

Exhibit 8: List of US companies with proven ties to the Malaysian Taib family (Sources: California Secretary of State; Washington Secretary of State)

Exhibit 9: Ross J Boyert vs. Sakti International Corporation and Wallysons Inc., Court Case Deposition, 6 February 2007 (Source: San Francisco Superior Courts)

Exhibit 10: List of officers and directors of Sakti Corporation, 17 September 1987 (Source: California Secretary of State)

Exhibit 11: Property records on 1117 Boylston Avenue, Seattle, WA, USA, documenting the transfer of property from CSY Investments to W.A. Boylston Inc., 19 September 1991 (Source: King County Department of Assessments, Washington State, US)

Exhibit 12: Action by unanimous written consent of the board of directors of Sakti International Corporation, 8 April 1988 (Source: Sakti International Corporation)

Exhibit 13: List of Australian companies with apparent links to the Taib family (Source: Australian Securities and Investments Commission)

Exhibit 14: ASIC Company Extract on Sitehost Pty Ltd (Source: Australian Securities and Investments Commission)

Exhibit 15: Annual Return 1984 by Richfold Investment Limited, Hong Kong (Source: Companies Registry, the Government of the Hong Kong Special Administrative Region)

Exhibit 16: Annual Return 1984 by Regent Star Company Limited, Hong Kong (Source: Companies Registry, The Government of the Hong Kong Special Administrative Region)