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Malaysia files charges against Goldman Sachs in 1MDB scandal

Malaysia's attorney general, Tommy Thomas, [filed criminal charges](#) in December against Goldman Sachs Group, Inc. and two of the bank's former employees. Thomas stated that the country's authorities would pursue a settlement for at least USD 2.7 billion, reflecting the amount of money allegedly misappropriated during the multi-year fraud and bribery campaign involving 1Malaysia Development Berhad.

"The charges arise from the commission and abetment of false or misleading statements by all the accused in order to dishonestly misappropriate \$2.7 billion from the proceeds of three bonds issued by the subsidiaries of 1MDB, which were arranged and underwritten by Goldman Sachs," Thomas said.

Prosecutors allege Goldman Sachs failed to properly vet the many deals and politically exposed persons involved in the 1MDB scandal, and benefited greatly from the corruption and bribery surrounding the fund. In a *Wall Street Journal* [report](#), a message from one compliance officer is highlighted, regarding the involvement of Jho Low, the purported "mastermind" of the bribery schemes, in an unrelated deal: "Jho Low's appearance is not welcome," the compliance officer wrote in 2013. "But if he is in a very minor role ... then we may be able to live with it."

These messages and other failed efforts by the compliance department will be the focal point of investigations into Goldman Sachs's role in the sprawling 1MDB corruption scandal.

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