



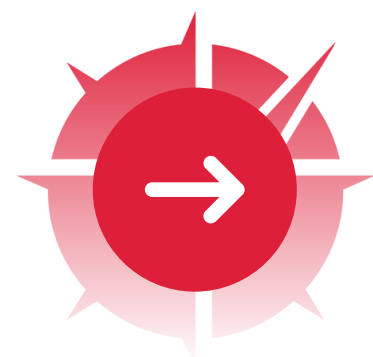
Navigating Compliance, Managing Risk • *Differently*

Case Scenario – AML/CFT Lessons Learned



TMDB: Enormous Misappropriation and Compliance Failure

TMDB raised billions in bonds and sovereign funds but was used to funnel more than USD 4.5 billion into private accounts, luxury assets and offshore structures. Weak governance, insufficient AML controls and poor oversight allowed these flows to go undetected for years.



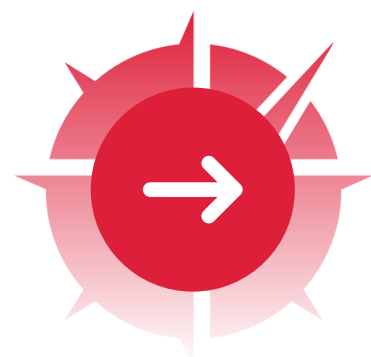
Financial Institution Control Gaps

Several global banks processed TMDB-related transactions without adequate due diligence, risk profiling or escalation of red flags. Ineffective KYC and transaction monitoring allowed high-risk transfers to continue, exposing systemic weaknesses in AML/CFT frameworks.



Singapore Regulatory Actions Against Banks

In its probe of 1MDB-related flows, the Monetary Authority of Singapore (MAS) fined Standard Chartered S\$5.2 m and Coutts S\$2.4 m for AML breaches and ordered closures of BSI Bank and Falcon Bank for failing to prevent money laundering.



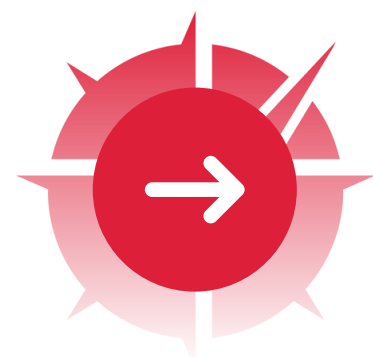
Global Legal and Financial Consequences

Goldman Sachs agreed to pay roughly USD 3.9 billion in settlements for its role in arranging 1MDB bond deals, while JPMorgan agreed to pay USD 330 million to Malaysia and its Swiss unit was fined for AML lapses. These actions signal heavy accountability for banks.



Leadership Accountability: Najib Razak Convicted

In December 2025, ex-Prime Minister Najib Razak was sentenced to 15 years in prison and fined approximately 13.5 billion MYR (~USD 3.3 billion) for abuse of power and money laundering linked to 1MDB. His conviction reinforces that no one is above the law.



Compliance Lessons for Organisations

TMDB teaches that AML/CFT failures carry real financial, legal and reputational cost.

Organisations must embed robust risk governance, real-time monitoring, enhanced due diligence and strong escalation protocols to prevent systemic breaches.



Compliance failures
have consequences
— prevention starts
with structure.

Acrion helps organisations
strengthen AML/CFT governance,
controls and accountability.

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