

BB governor quits

FROM PAGE 1
was made an officer on special duty (OSD).

The government also decided to cancel the contracts of two BB deputy governors --Md Abul Quasem and Nazneen Sultana -- for their failure to prevent the cyber theft from the BB account with the New York Federal Reserve Bank.

A finance ministry official said the ministry would soon ask the BB to remove its two executive directors and two general managers.

But the names of the central bank officials couldn't be known immediately.

Asked about the decision to remove the four BB officials, Finance Minister AMA Muhith told reporters that he was unaware of it.

But he confirmed that the contracts



Abul Quasem



Nazneen Sultana

resignation letter to the PM in person and brief her about the entire situation.

On Monday night, Atiur met Muhith at the latter's official residence on Mintoo Road in the capital. Muhith told Atiur to resign without any delay, and that he didn't need to wait to meet the PM, said sources at the finance ministry and the BB.

The premier accepted Atiur's resignation, and lauded his decision as a rare example of courage and honesty, according to state-run BSS.

During Atiur's stint as governor, the BB's reserves rose to a record high and the banking services expanded, noted the PM.

She said action would be taken against the BB officials responsible for the heist.

Atiur didn't talk to the media after coming out of the PMO in the morning.

Later in the afternoon, he spoke to reporters at his official residence in Gulshan.

Atiur said he opted to quit out of moral responsibility. "I did not want the country and the prime minister to face any image crisis."

He said he is not a "technical" person and was "puzzled" by the theft.

Atiur said the BB took some time to understand the situation. "But more importantly, I tried to save what was left in the reserves and prevent any further damage."

He demanded trial of the culprits -- both locals and foreigners -- following investigations.

Atiur drew flak from government high-ups and a number of ruling party leaders for keeping the government in the dark about the cyber theft.

The government decided to make changes in the top BB management for two reasons: the central bank's failure to inform the government immediately (the PM was informed about it on March 1 and Muhith on March 8), and for the sake of a fair probe, said finance ministry sources.

"Bangladesh Bank had the audacity not to inform me," Muhith said in a public show of anger on Monday.

Countering the criticism, Atiur said: "If I am at fault, they can take action against me, against Bangladesh Bank. But they cannot insult me in public."

The government thinks that the heist took place because of management failure in the payment system and the IT department.

The government has formed a three-member committee, headed by former BB governor Mohammed Farashuddin, to probe the cyber theft.

If the just-formed committee and the new BB management recommend taking action against any BB official, the government would act accordingly, they said.

Meanwhile, the BB filed a case over the cyber heist, accusing several unknown persons.

Zubair Bin Huda, joint director of BB's accounts and budgeting department, lodged the lawsuit with Motijheel Police Station under the Money Laundering Prevention Act and the ICT Act.

FROM PAGE 1 TWO NERVY DAYS

11AM: Atiur drives to the Prime Minister's Office to turn in his resignation letter

Muhith defers his scheduled press conference to 2:30pm, then to 4pm, before it was finally cancelled

3PM: Atiur holds a press conference and explains why he took so long to inform the government about the heist

Prime Minister Sheikh Hasina's Press Secretary Ihsanul Karim says the PM accepted Atiur's resignation

4PM: Muhith says two deputy governors

of the two deputy governors would be terminated.

Deputy Governor Nazneen, however, was not working at the central bank when the cyber heist took place. Her stint as deputy governor ended on January 20, and she was reappointed for the second term on February 8.

Asked why Aslam was made an OSD, Muhith didn't mention any reasons.

"Now, he [Aslam] is going to another ministry," said the minister at the National Economic Council after a meeting with the representatives from different NGOs on the upcoming budget.

A number of finance ministry officials said Aslam was made an OSD as the government thinks he had failed to discharge his duties properly.

Earlier in the day, Atiur desperately sought an appointment with Hasina and waited hours for a response from the Prime Minister's Office. "I am waiting for her [Hasina] call," he told a reporter.

But the call never came and Atiur made the final decision -- "to leave with dignity". He broke the news to a small group of reporters at his official residence in Gulshan and the story spread far and wide.

At the other end, Muhith, who openly criticised Atiur for the "incompetent handling" of the cyber heist, scheduled a press conference apparently to announce the governor's resignation plan.

But his plan did not get through as Atiur drove straight to the PMO to turn in his resignation letter to Hasina. In doing so, he bypassed Muhith. The press conference by Muhith was not held.

Atiur said he wanted to submit the



Maia Santos Deguito, a branch manager of the Rizal Commercial Banking Corp, takes an oath during a money laundering hearing at Senate in Manila yesterday.

PHOTO: REUTERS

Fingers pointed at Manila bank

FROM PAGE 1

hastily processed the withdrawal of the money while intimating to other staff members in the branch on Jupiter Street in Makati City that she feared for her life and for her family.

During a senate hearing yesterday, it was revealed that the RCBC allowed the withdrawal of the bulk of the funds despite having received an order from its counterpart banks abroad to stop the payment.

The \$81-million money laundering activity has rocked several local banks and put into question the efficacy of the Philippines' laws to guard against the entry of dirty funds.

At the hearing, Senator Teofisto "TG" Guingona III said that after receiving the suspicious funds on Feb 5, the RCBC received a "stop payment" order from the Federal Bank of New York at 5:00pm of Feb 8 -- a banking holiday in the country because of the Chinese New Year celebrations.

"The stop payment order was received by your bank, February 8, 2016," he told RCBC president and CEO Lorenzo Tan. "On the morning of February 9, the first banking day, you should have seen the stop payment request. But apparently it was not honoured because the funds were withdrawn. All the funds were withdrawn."

Guingona further pointed to documents filed by the Anti-Money Laundering Council with the courts noting that RCBC "responded to the Bangladesh Bank's stop payment request at 7:45pm of February 9."

"That was the end of the day already," Guingona said. "Would you care to explain why the stop payment request -- which should have been honoured at the very start of the banking day -- was not honoured?"

To this query, the RCBC chief invoked the Bank Secrecy Law and declined to reveal specific details about the transaction, but offered an explanation of general procedures pointing to the responsibility of the branch manager to execute the stop payment order.

Deguito, the branch manager, too, invoked the Bank Secrecy Law, telling senators that she was willing to answer questions only in a closed-door executive session, because she has become the subject of a complaint filed by the AMLC against her, and that anything she would say in public could be held against her.

According to the RCBC report sub-

mitted to AMLC, on February 5 or the day the \$81 million was wired to the accounts of Jessie Christopher Lagrosas (\$30 million), Alfred Vergara (\$19.999 million), Enrico Vasquez (\$25 million) and Michael Cruz (\$6 million), Deguito "facilitated the opening of the account of businessman William S. Go DBA Centurytex Trading at Jupiter BC," said the report submitted to the AMLC.

This was the same account that Go vehemently denied, instead pointing to Deguito as part of the money laundering conspiracy.

Go claimed that Deguito had admitted to him that she had opened the account herself and offered P10 million if he would go along with the scheme, allegations that Deguito denied.

The \$81 million was credited to the four accounts via a straight-through-process after the transactions passed validation criteria.

On the same day, a cash withdrawal from Lagrosas' account amounting to \$22.73 million was made and deposited in the newly opened Go account. "William Go" transferred a total of \$14.7 million to the account of remittance firm Philrem.

NO SIGNATURES

The report noted that all debit documents -- Lagrosas' withdrawal slip, fund transfer forms and managers check applications of "William Go" -- had no signatures of clients.

A hold-out order on all four accounts and the Go account was posted at 6:45pm to 7:04pm.

"[A] series of phone calls among district sales head Nestor Pineda, regional sales head Brigitte Capina, Jupiter BM (business manager) Maia Deguito and outgoing RBG (retail banking group) head Raul Tan transpired.

"In these conversations, Deguito assured [us] that the clients were long-standing clients of hers, and she expected these funds since last year and the documents were in order," the report said.

The hold-out order was lifted by the bank past 7:00pm that Friday, after which the bank paused for a long weekend break. The following Monday (Feb 8) was a nonworking holiday in observance of the Chinese Lunar New Year.

MESSAGE FROM BANGLADESH

By Feb 9, RCBC received a message from Bangladesh Bank requesting a stop in payment and to freeze the beneficiaries' accounts for proper investigation. That same day, withdrawals from the four

accounts totalling \$58.15 million were processed by the Jupiter branch.

Before lunchtime, RCBC Settlements Department sent four e-mails to the Jupiter branch on the recall of the funds.

"However, BM (branch manager) Maia showed him the Feb 5 e-mail of Ms Capina that [the] accounts were OK to credit. Meanwhile, all the withdrawals and fund transfers were being processed by CSA (customer service assistant) teller Reymart Marbella and approved/overridden by SCRO (senior customer relationship officer) Angela Torres," the report said.

The assistance given by Marbella and Torres has been seen as an indication that apart from Deguito, the entire branch may have been compromised.

WITHDRAW RATHER THAN DIE

"In subsequent interviews, both CSH (customer service head) and SCRO said that BM Deguito told them that she would rather process withdrawals 'kaysa mamatay siya at ang pamilya niya' [instead of she and her family being killed]," the report said.

Deguito herself facilitated the opening of the four US dollar accounts that received the suspicious remittance, which turned out to be part of large funds stolen by computer hackers from the account of Bank of Bangladesh with the Federal Reserve Bank of New York.

She claims having done due diligence on these customers in line with mandatory know-your-client rule, but except for the William Go account, the addresses have turned out to be fictitious.

COMPLAINT

In the suit against Deguito, AMLC investigators claimed that the branch manager knew that \$81 million deposited in her branch had been stolen from the Bangladesh central bank but she still allowed the money to be withdrawn by fictitious account holders.

AMLC investigators made this allegation in a complaint against Deguito and four John Does.

"Not only did respondent Deguito fail to verify the identifies of the respondents within nine months from the time the accounts were opened, she even allowed respondent John Does to withdraw money stolen from Bangladesh Bank," stated the joint affidavit of AMLC Deputy Director Julia Bacay-Abad and Rafael Echalse of the council secretariat's compliance and investigation group.

Jubo League activist shot dead in Ctg

STAFF CORRESPONDENT, Ctg

A Jubo League activist was shot dead allegedly by his rivals in Chittagong city early yesterday.

The dead, Abdul Jahed, 45, was the son of Abdur Razzaq of Kamal Gate area. He was a *jhut* (garment waste) trader.

Police said the killing might have occurred over land dispute, drug trade and establishing supremacy in the locality between the activists of Jubo League, youth body of the ruling Awami League, and Bangladesh Chhatra League, pro-AL student wing.

A Jubo League man, Mujib, was detained from Madarbari area yesterday morning in this connection, said Mainul Islam, officer-in-charge of Sadarghat Police Station.

Quoting locals, the police official said around 12:30am, some 15 to 20 armed followers of Jubo League man Anis attacked a house where Jahed was staying in.

As soon as Jahed came out of the house in Kamal Gate area, the attackers shot him, leaving him seriously injured.

The victim was rushed to Chittagong Medical College Hospital where on-duty doctors declared him dead.

Jahed used to live alone in the tinshed house. An expatriate named Ripon is the owner of the house, said a local, seeking anonymity.

Earlier, Anis occupied the house. A couple of months ago, followers of Royel, an activist of BCL, drove out Anis from the house and then Jahed, who is known as a supporter of Royel, began to reside in the house, said locals.

Sayera Khatun, a sister of Jahed, said her brother's wife died four years ago. Since then, his three children were being looked after by his relatives.

Jahed spent most of his time outside, said Sayera, adding that she did not know who killed her brother.

TENANTS' INFO

DMP extends deadline

STAFF CORRESPONDENT

Dhaka Metropolitan Police yesterday extended the deadline for collecting personal information of tenants and house owners until March 31.

The decision was made as the police could not complete the task within the stipulated time-frame (March 15), said Maruf Hossain Sorder, deputy commissioner (media) of the DMP.

He said the move was aimed at "creating a central database" of city dwellers and their service staff.

The DMP had asked city residents to provide it with the information by March 15, raising concerns among citizens that their personal information could be misused.

On February 29, DMP Commissioner Asaduzzaman Miah at a press briefing asked tenants and landlords to provide the information to the police stations concerned by the deadline. He said the move was aimed at curbing crimes in the capital.

Israel seizes 234 hectares of West Bank land

AFP, Jerusalem

Israel has declared 234 hectares of West Bank territory as state land, officials said yesterday, leading a watchdog to warn of possible settlement expansion that could increase tensions with Palestinians.

COGAT, the Israeli defence ministry body responsible for implementing government policies in the Palestinian territories, said the move was taken "in accordance with the decision of the political level".

It gave no further explanation nor more details, but settlement watchdog Peace Now said the land involved is south of the Palestinian city of Jericho and close to the Dead Sea.

Kiwis spin India

FROM PAGE 1

New Zealander in T20 cricket.

"There was a bit of spin out there, they bowled well to keep us to 120, that was below par, but we got stuck in and I'm delighted with the win," said Santner.

India, who have been firm favourites to win the title, were never in the chase after losing their openers early and, with the exception of Virat Kohli (23), none of the Indian batsmen could come up with any answers to the inspired Kiwi bowling attack.

Kohli, during his 27-ball stay, offered some resistance on a slow track, but the introduction of Sodhi spelt the end for the star batsman.

Chasing a wildish leg-spinner, Kohli was caught behind as the packed stadium was stunned into silence with the writing clearly on the wall.

Skipper Mahendra Singh Dhoni then tried hard to dig India out of their hole but his valiant run-a-ball 30 made little difference in the end.

Earlier, hard-hitting Corey Anderson hit an uncharacteristically slow 34-run knock to help New Zealand improve their plight after being reduced to 61 for four.

A dramatic first over from off-spinner Ravichandran Ashwin saw Martin Gupthill smash a six on the very first ball of the match only to lose his wicket on the next, setting the tone for an exciting T20 extravaganza.

The spin-fast combination of Ashwin and Ashish Nehra deployed by Dhoni worked in India's favour as the Kiwis were left stuttering with

skipper Kane Williamson also departing for single figures.

Anderson, whose 42-ball stay included just three boundaries, then stuck around with Ross Taylor and Santner to counter the Indian bowlers.

India, determined to become the first team to win the World T20 title twice, didn't put a foot wrong and backed their bowlers' effort with some clean fielding that included two run outs.

In the end, Luke Ronchi's unbeaten 11-ball 21 gave some respect to the total, which in the end proved enough to make an opening impression in the sixth edition of the tournament.

Star editor

FROM PAGE 16

It is one of the 79 cases that have been filed against Mahfuz Anam in 53 districts since February 9. The cases include 17 pleas for bringing sedition charges against him. The complaints cite Tk 1,32,811 crore as losses incurred due to "defamation".

The case spree began after the editor at a TV talk show on February 3 made an introspective comment about a lapse in his editorial judgment in publishing some reports, based on information given by the Taskforce Interrogation Cell during the 2007-08 caretaker government rule, without being able to verify those independently.

The cases have drawn condemnation from local and foreign journalists and their unions as well as human rights bodies.

Tigers' crucial tie

FROM PAGE 1

the most important one in pursuit of becoming a good team from an average one. This is also a platform and place in which the Tigers will need to prove that they are not only good in their own den but also a very competitive side in a neutral venue.

The job in hand for Mashrafe Bin Mortaza and Co is a very tough one after coming from an area with sub-10 degrees Celsius temperatures to a hot and humid Kolkata. The good news is that Mustafizur Rahman had enjoyed a full-length bowling session on the green top of Eden Gardens yesterday and Taskin Ahmed rejoined the team after attending his bowling test in Chennai, the one he had to give after his action had been questioned by the ICC.

Despite the good run against Pakistan, Mashrafe said that their five straight wins

against them in the shorter versions would count for nothing apart from the word 'confidence' against a side capable of doing unexpected things.

"Our five wins will hardly help us on a completely different wicket and a completely different stage. We are very confident and we can do well. But this is a wicket where you can score 180-plus. So, our bowlers will have to do very well if we field first. And if we bat first our batting as a unit will have to click against a very good bowling side," said the Bangladesh captain, adding that he was hardly concerned about winning or losing the toss.

Asked about his expectations from the Kolkata crowd, the Tigers skipper said that as a Bengali he would be happy if they rally behind his team today.

He also said that he was not concerned about the form of his two key batsmen Mushfiqur Rahim and Shakib Al Hasan,

who have not been among the runs.

"In a 20-over match it's very important how you start. It's the job of the top-order and if they click, the middle-order will have little to do. So I'm not really concerned about their form. They will definitely come good at the right time," Mashrafe said, adding that he was very happy with the form Tamim is in.

The Bangladesh team will go through a slight change if Mustafizur is included. In that case, the team management will be in a dilemma on whether to field four pacers or include Nasir Hossain to bolster the spin attack and the lower-order batting.

Furthermore Mashrafe said that Shakib's IPL experience, considering that he plays for the Kolkata Knight Riders in the Indian Premier League, has proved extremely handy for his team to assess the nature of the wicket.

Meanwhile, Pakistan coach Waqar Younis said that they are ready to turn the tide around on a wicket more responsive to spinners.

"Bangladesh has improved a lot over the last two years. They are a very competitive team now. I think the wicket here is different from what they have at their home ground. I think it will be a very competitive game," said Waqar, adding that his under-fire captain Shahid Afridi had not done anything to evoke controversy.

Afridi commented on how his players were 'loved more in India', which sparked backlash in Pakistan. Afridi later explained that he was merely trying to send a positive message and not demean his own nation.

"I did not find that controversial. I think it has been blown out of proportion. We should focus on cricket and leave that alone," said Waqar.