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U.S. Seeks to Recover over \$73 Million in Proceeds Traceable to Bank Fraud to Conceal the Involvement of Jho Taek Low

The Department of Justice announced today the filing of a civil forfeiture action in the U.S. District Court for the District of Columbia seeking to forfeit and recover more than \$73 million in funds associated with an international conspiracy to defraud U.S. financial institutions and to launder funds controlled by Jho Taek Low, also known as “Jho Low,” an individual who is the subject of an indictment filed in the Eastern District of New York, alleging that Low and others conspired to launder billions of dollars embezzled from 1Malaysia Development Berhad (1MDB), Malaysia’s investment development fund, and pay hundreds of millions of dollars in bribes to foreign officials, among other things.

The announcement was made by Assistant Attorney General Brian A. Benczkowski of the Justice Department’s Criminal Division, Assistant Director in Charge William F. Sweeney Jr. of the FBI New York Field Office, and Special Agent in Charge Keith A. Bonanno of the Department of Justice Office of the Inspector General (DOJ-OIG) Cyber Investigations Office.

As alleged in the forfeiture complaint, multiple bank accounts were opened at U.S. financial institutions by Prakazrel (“Pras”) Michel and former Justice Department employee George Higginbotham in 2017 to receive tens of millions of dollars in funds from overseas accounts controlled by Jho Low. In opening these accounts, Michel and Higginbotham allegedly made false and misleading statements to U.S. financial institutions that housed the accounts in order to mislead these institutions about the source of the funds and to obscure Jho Low’s involvement in these transactions. Michel and Higginbotham allegedly intended to use these funds to attempt to influence the Justice Department’s investigation of Jho Low and 1MDB. As alleged in the complaint, Higginbotham, as a Justice Department employee, played no role in any aspect of the investigation and failed to influence any aspect of the Department’s investigation of Low or 1MDB.

“According to the allegations in the complaint, Michel and Higginbotham defrauded U.S. financial institutions and laundered millions of dollars into the United States as part of an effort to improperly influence the Department’s investigation into the massive embezzlement and bribery scheme involving 1MDB,” said Assistant Attorney General Benczkowski. “The Criminal Division and our law enforcement partners will do everything we can to trace, seize, and forfeit the proceeds of foreign corruption that flow through the U.S. financial system.”

“Corruption is often at the root of national security, terrorism, and criminal threats, and those who seek to take advantage of our financial systems to perpetuate fraud and abuse will not be tolerated,” said FBI Assistant Director in Charge Sweeney. “The FBI is committed to investigating and uncovering corruption no matter where it occurs, in conjunction with our domestic and international partners.”

“Ensuring the integrity of Department of Justice employees is of paramount importance,” said DOJ-OIG Special Agent in Charge Bonanno. “An employee who facilitates or participates in this type of illicit activity will be thoroughly investigated by the OIG, including situations where attempts are made to influence the Department’s independence.”

This case was brought under the Kleptocracy Asset Recovery Initiative by a team of dedicated prosecutors in the Criminal Division’s Money Laundering and Asset Recovery Section, working in partnership with

federal law enforcement agencies to forfeit the proceeds of foreign official corruption and, where appropriate, return those proceeds to benefit the people harmed by these acts of corruption and abuse of office. Individuals with information about possible proceeds of foreign corruption located in or laundered through the United States should contact federal law enforcement or send an email to kleptocracy@usdoj.gov (link sends e-mail).

The investigation was conducted jointly by the FBI's International Corruption Unit and the Department of Justice Office of the Inspector General. The case is being prosecuted by Deputy Chief Woo S. Lee, and Trial Attorneys Joshua L. Sohn and Rebecca A. Caruso of the Criminal Division's Money Laundering and Asset Recovery Section. The Criminal Division's Office of International Affairs provided substantial assistance.