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## 1.0 BACKGROUND AND HISTORY OF JARING

The initiative to establish MIMOS/JARING was inspired by Tun Dr. Mahathir Mohamad in 1985. The purpose was to provide a telecommunications infrastructure via the internet. In June 11, 1999, JARING made history with the installation of an international internet line with a speed of 45Mbit/s, the first of its kind in the region (outside of Japan). The internet line was installed and assigned during Asia's largest Internet conference, INET 99. By the end of 1999, the number JARING'S subscribers exceeded 300,000 people. To date, JARING's role entails providing internet services to government agencies.

JARING was also gazetted as a prohibited area under the prohibition area order (9) 2014 and was gazetted as a protected place under prohibition order (No. 8) in 2014 by the National Security Council (NSC).

JARING chronology of events are :

1. In 1992 JARING, constituted as one of the research projects under MIMOS.
2. In 1995, JARING was incorporated together with MIMOS, under the Ministry of Science, Technology and Innovation Malaysia
3. In 2006, JARING was gazetted as JARING Communications under the Ministry of Finance of Malaysia.
4. In January 2014, JARING was acquired by Utusan PrintCorp Sdn Bhd (UPSB) with a purchase value of RM2 million (Source: National Audit Report 2014)

## 2.0 JARING'S STATE OF AFFAIRS AFTER ACQUISITION BY UPSB

1. No offer letters were given to the employees after the acquisition took place.
2. There was no clear briefing on the company's direction from the new management.
3. The Company did not pay the appropriate rates to most of JARING suppliers or partners, some not getting payment for a year.
4. Arrears in office rental for Bukit Jalil and the satellite offices for JARING started to snowball in each state.

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5. The electricity bill incurred by JARINGS's headquarters not paid , warning notice received from TNB, to the extent that there was an imminent threat of cutting the power supply.

6. JARING delayed payment for the annual licensing fee to NSP & NFP to SKMM.

7. Rentals for online internet "backbone" was also in arrears and many times the operators decided to terminate the internet line (TOS) - (NTT Line, TIME, TELECOM and so on).

8. The Company did not resume the services for the "maintenance and support" for its equipment and computer systems ( ORACLE Application , etc).

9. The Company did not pay dues owed to a joint partner after the tender job was completed (NORTHPORT Project).

10. In November 2014, JARING was sued in the High Court's by two companies, CIMB Bank Berhad dan Approved Restorers Sdn Bhd under section 218 (1e) & (2a) due to payment arrears .

11. JARING received many notice of demand for payment from law firms.

12. Tenders that were awarded to JARING could not be carried out by JARING, as it had not paid the advance to the suppliers and vendors (MYREN Project).

13. Customer service Centre received many complaints from customers due to frequent interruptions

### 3.0 EFFECT DUE TO FLAW IN MANAGEMENT

1. Delayed payment of staff salaries starting November 2014, to the end of each month. Salaries were previously credited on the 24th of each month.

2. Below are examples of deductions made in the payment slips but not paid to the agencies concerned.

a. OUTSTANDING EPF contributions from August 2014 to April 2015 amounting to 2.75 million

b. OUTSTANDING PERKESO contributions (Estimated at RM 250,000)

c. Bank Rakyat (Three months in arrears –paid after employees filed a complaint )

d. ZAKAT/TITHE (Three months in arrears –paid after employees filed a complaint)

e. Tabung Haji (Three months in arrears- paid after employees filed a complaint )

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- f. YAPEIM (Three months in arrears - paid after employees filed a complaint )
  - g. ETIQA funeral endowment for staff and their kin (Three months in arrears - paid after employees filed a complaint)
  - h. MBSB (Three months overdue - paid after employees filed a complaint).
3. Health care benefits with MiCARES dan TOKIO Marine Life insurance company were not extended resulting in staff being forced to pay for themselves.
  4. The management tried to put pressure on staff by transferring the work place from Bukit Jalil to the SOLARIS Dutamas building , resulting in increased cost to staff.
  5. The management exerted needless pressure on the staff by issuing show-cause letters without valid reasons and shifting staff arbitrarily from one section to another .
  6. Regularly issued letter exchanging staff from one department to another and swapped duties without prior discussions or consultation.
  7. Salaries for February 2015 was given in stages , with RM2500 paid at the end of February and the remaining paid in mid-March 2015.

#### 4.0 CURRENT PROJECT's HANDLED BY JARING

1. Online Examination project with the Public Service Commission (SPA).
2. MYREN , supplying internet lines to institutions of higher learning in Malaysia
3. MIDA Project, providing a comprehensive email system for all employees of MIDA .
4. NORTHPORT Project, namely providing the infrastructure needed by the computer systems at NORTHPORT.

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5. Providing internet connections to organizations listed below:

1. Petronas	16.KAJICUACA	31.MATRADE
2. UKM	17.LHDN	32.NUKLEAR
3. UPSI	18.MITI	33.SUK SELANGOR
4. USM	19.PNB	34.CYBERSECURITY
5. UM	20.AIROD	35.JAIS
6. GITN	21.UMS	36.SIRIM
7. PUSPAKOM	22.CIDB	37.LEMBAGA KOKO
8. UTHM	23.UTP	38.DRB HICOM
9. UITM	24.UMK	39.MAIS
10.UMS	25.BSN	40.MPI
11.USIM	26.DIGICERT	41.PSMB
12.MOSTI	27.MYNIC	42.MITI
13.FELCRA	28.CELCOM	43.MPKj
14.BANK NEGARA	29.GENOM	44.PORIM
15.JPN	30.MARA	

5.0 JARING'S TOP MANAGEMENT PROFILE

The following lists the names of the top management official's in JARING to date :

1. Dato' Norhisam bin Mohamed @ Mohamed Nor (CEO & Company Director)
2. Nurhaslina Binti Mohamed Nor (Company Director)
3. Mohd Yusri bin Ton Alias (Chief Operating Officer)
4. Fakhrul Razi bin Abu Bakar (Executive Vice President)
5. James Lee Liong Chong (Financial Controller)
6. Mohd Julian Hadi bin Husaini (Chief Innovation Officer )

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