



Chapter 6

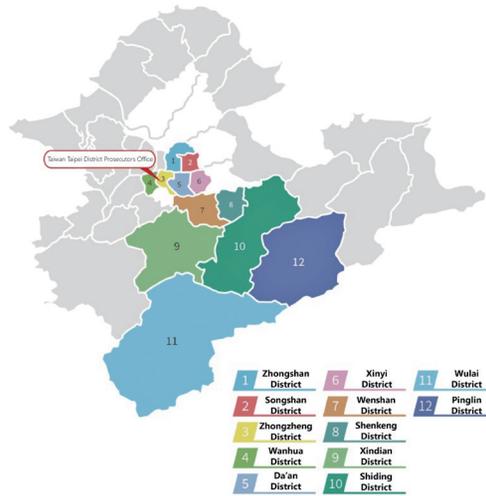
Taiwan Taipei District Prosecutors Office



Section 1 Historical Overview

The former Prosecutors' Bureau under Taipei District Court of Taiwan Governor-General Office during the Japanese Colonial Rule was now the Taiwan Taipei District Prosecutors Office. After the restoration of Taiwan to the Republic of China, it was renamed the Taiwan Taipei District Court Prosecutors' Department. On July 1, 1980 after the separation of the court trial system and the prosecution system, it was renamed the Taiwan Taipei District Court Prosecutors Office. On December 24, 1989, it was renamed the Prosecutors Office of Taiwan Taipei District Court in conjunction with the amendment of the Court Organization Act. On May 25, 2018, this establishment was again renamed Taiwan Taipei District Prosecutors Office, where the wording of "Court" from its organizational name was taken away, in conjunction with the amendment to the Court Organization Act.

Section 2 Territorial Jurisdiction



Geographic Territorial Jurisdiction of the Taiwan Taipei District Prosecutors Office

Taiwan Taipei District Prosecutors Office

Section 3 Office Buildings

I. The main office

The office located at Wenwu 3rd Section, Taipei Prefecture, during the Japanese Colonial Rule, which is now part of the office on the first and second floors of the Judicial Building located on Chongqing South Road, Zhongzheng District, Taipei City. However, after the Government relocated to Taiwan, under the proper governance and with the diligent efforts of the Government, Taipei metropolitan area has enjoyed a prosperous economy and society has become diverse. With the increase in lawsuits, the office become overcrowded, a new judicial building was planned to be built at No. 131, Boai Road, Zhongzheng District, Taipei City, next to the existing judicial building. Accordingly, an area of about 1,938 pings (6,406 m²) on the west side of the new judicial building was allocated for the office, which was completed in 1985 before the office was relocated there in May, 1985.

II. The office in the Procurement Building (the second office)

With the coordination with the Ministry of National Defense (“MND”), the Procurement Building located on Boai Road and used by the MND was transferred to this Prosecutors Office for its use. The design and planning for the renovation of the building began in 2016, and construction was completed in November, 2017.



The second office of the Taiwan Taipei District Prosecutors Office

III. The office in the Boyi Building (the third office)

With the consent of the MND, the first and second floors of the Boyi Building of the “Boai Buildings” were released. After structural seismic reinforcement and renovation, construction commenced on August 28, 2018, the completion acceptance was completed on August 27, 2019, and the office was open on September 3, 2019.



The third office of the Taiwan Taipei District Prosecutors Office

Section 4 List of Former Chief Prosecutors

Precedence in office	Title	Name	Period in office	Notes
1	Leading Prosecutor	Chiang,Wei -Tsu	1945/11/01~1946/03/25	Held ad interim from March 25, 1946 to May 6, 1946 by Shih,Wen-Fan
2	Leading Prosecutor	Sha,Tsung-Tang	1947/12/15~1951/07/01	
3	Leading Prosecutor	Chao,Chih-Chung	1951/07/01~1953/02/20	
4	Leading Prosecutor	Chiang,Pang-Liang	1953/02/20~1960/02/01	
5	Leading Prosecutor	Yang,Ming-To	1960/02/01~1963/09/02	
6	Leading Prosecutor	Chiao,Pei-Shu	1963/09/02~1970/09/07	
7	Leading Prosecutor	Chu,Chien-Hung	1970/09/07~1972/08/01	
8	Leading Prosecutor	Lo,Tsui-Ju	1972/08/01~1978/09/26	
9	Leading Prosecutor	Shih,Ming-Chiang	1978/09/26~1982/11/08	
10	Leading Prosecutor	Chen,Han	1982/11/08~1985/07/03	
11	Leading Prosecutor	Chai,Chi-Chen	1985/07/03~1987/05/19	
12	Chief Prosecutor	Liu,Ching-Yi	1987/05/19~1992/05/18	The title was changed to Chief Prosecutor on December 24, 1989
13	Chief Prosecutor	Lu,Jen-Fa	1992/05/18~1996/04/23	
14	Chief Prosecutor	Wu,Ying-Chao	1996/04/23~1997/07/08	
15	Chief Prosecutor	Tseng,Yung-Fu	1997/07/08~1999/02/11	Held ad interim from February 11, 1999 to April 30, 1999 by Head Prosecutor Chou,Chih-Jung
16	Chief Prosecutor	Chen,Tsung-Ming	1999/04/30~2000/06/27	
17	Chief Prosecutor	Huang,Shih-Ming	2000/06/27~2001/04/27	

Precedence in office	Title	Name	Period in office	Notes
18	Chief Prosecutor	Shih,Mao-Lin	2001/04/27~2004/11/05	Held ad interim from November 5, 2004 to March 16, 2005 by Head Prosecutor Lin,Pang-Liang
19	Chief Prosecutor	Yen,Ta-He	2005/03/16~2007/04/12	
20	Chief Prosecutor	Wang,Tien-Cheng	2007/04/12~2008/08/10	
21	Chief Prosecutor	Lin,Ling-Yu	2008/08/01~2010/07/28	
22	Chief Prosecutor	Yang,Chih-Yu	2010/07/28~2015/05/70	
23	Chief Prosecutor	Tsai,Pi-Yu	2015/05/07~2016/07/18	
24	Chief Prosecutor	Hsing,Tai-Chao	2016/07/18~2020/03/13	
25	Chief Prosecutor	Chou,Chang-Chin	2020/03/13~2021/05/05	
26	Chief Prosecutor	Lin,Pang-Liang	2021/05/05 to present	

Section 5 List of Former Chief Secretaries

Precedence in office	Title	Name	Period in office	Notes
1		Chu,Tse-Hsien		
2		Mi,Lo-Pei		
3	Head Clerk	Liu,Chih-He	1972/08/01~1978/09/26	
4	Head Clerk/ Chief Secretary	Lou,Jung-Chang	1978/09/29~1985/07/03	
5	Chief Secretary	Liu,Ke-Chien	1985/07/03~1987/06/09	
6	Chief Secretary	Chang,Shang-Ta	1987/06/09~1992/08/01	

Precedence in office	Title	Name	Period in office	Notes
7	Chief Secretary	Pai,Cheng-Hung	1992/08/01~1996/06/01	
8	Chief Secretary	Lu,Tung-Jung	1996/06/01~1997/11/17	
9	Chief Secretary	Huang,Ching-Chih	1997/11/17~1999/02/11	Acted by Chen, De, Clerk and Section Chief from February 11, 1999 to June 24, 1999.
10	Chief Secretary	Li,Ching-Sheng	1999/06/25~2000/09/13	
11	Chief Secretary	Tang,Hui-Tung	2000/09/13~2005/02/01	Acted by Chiu, Xiu-Yu, Clerk and Chief of General Affairs Section, from February 1, 2005 to March 29, 2005
12	Chief Secretary	Chiu,Hsiu-Yu	2005/03/30 to present	



Section 6 Business Evolutions

- I. On January 1, 2002, the "Community-Based Treatment Plan in conjunction with Prosecutors' Investigations" were conducted for trial in advance to implement community-based treatment measures for minor cases such as drunk driving and goods damage.
- II. Prosecutors Investigators with financial and economic expertise and experience in assisting with major economic and financial crimes were selected and dispatched to the "Prosecutors Office of the Ministry of Justice in the Financial Supervisory Commission" established by the Financial Examination Bureau of Financial Supervisory Commission ("FSC") to assist the prosecutors stationed in the FSC with affairs.
- III. In order to protect the rights and quality of services for victims of sexual assault, the "One-Stop Service for Victims of Sexual Assault" was conducted for trial in coordination with the Taipei City Government as of September 1, 2009.

- IV. As of March 1, 2011, a drug database was independently developed taking into consideration the advantages of the drug database of Taichung and Tainan District Prosecutors Office, which was designated by the MOJ for use by Prosecutors Offices nationwide as a reference for building their respective drug databases. Afterwards, successive developments included an election database and an offense against morality database, where the existing technologies were opened up. Moreover, a forest conservation laws database was studied and developed with the Taiwan High Prosecutors Office, and a waste disposal database was studied and developed with the Keelung District Prosecutors Office.
- V. Crimes were investigated with identification tools for mobile communication devices, so that the electromagnetic records and digital contents in such device can be captured, backed up, and reviewed as completely as possible, so as to obtain valid intelligence as evidence.
- VI. An automatic check-in system for parties of concern was put to use on February 10, 2015, that can automatically answer the parties of concern of the court for a hearing by voice. Not only can the manpower and labor of the bailiff be saved, but also the efficiency and accuracy of the court check-in process.
- VII. On January 14, 2019, the “Northern Taiwan Training Center of Seized Property Auctions and Digital Forensics” was established and activated. Together with the technological “Case Investigation Center”, “drug tracking database” and “Digital Forensic Lab”, that had been built and was under operation and maintenance, provided the technological equipment and digital intelligence, venue space, and continuous training needed to strengthen the core capabilities of digital evidence collection personnel and all law enforcement colleagues in extracting, analyzing and interpreting digital intelligence.
- VIII. With the aid of technological systems and remote monitoring technology, interrogation transcripts in the investigation room can be monitored in real time, cases can be clarified quickly, and contradictions in the transcripts or doubts of the case can be identified, and transmitted to all responsible prosecutors for investigation via an online real-time interface. Thereby, any misrepresentation by the related parties can be recognized and addressed preventing the case interrogation from being misled by the defendants.

IX. With the self-raised funds, the THPO jointly developed software programs with the suppliers. Printing equipment was procured for high-speed printing and binding, which have been used in printing various types of books requiring clerk's signature, over printing official seals, cross-page seals, and binding.

Section 7 Excerpts of Major Cases



The 3rd edition of the United Daily News on July 22, 1956

I. The murder case committed by Huang, *-Xian

Huang, *-Xian and the victim Yang, *-Rong both worked at the Liaison Bureau of the Ministry of National Defense (MND), and were at odds with each other. Huang, *-Xian then killed the victim with a gun and burned the victim's remains on May 10, 1956, and was sentenced to death as involved in the crime of premeditated murder. Huang, *-Xian's father Huang, *-Tao was awarded with the Order of Blue Sky and White Sun with Grand Cordons for his meritorious military exploits, and Huang, *-Xian was re-sentenced to life imprisonment through amnesty by the President of the R.O.C.

II. The incident of Wuhan Grand Hotel

Taking the advantages of the positions of Huang, *-Wen's wife Yang, *-Chun (also the defendant) and Chen, *-Zhou, where Yang, *-Chun was a supervisor of the Taiwan Industrial Corporation ("TIC"), and Chen, *-Zhou was the Chairman of the TIC, Huang, *-Wen and Chen, *-Zhou started a joint venture "Wuhan Grand Hotel" under the name of Yang, *-Chun and her brother, and leased a building on Hankou Street, Taipei City from the TIC as of August 1956. Through a third party's introduction, the victim Yao, *-Jian invested capital in the hotel and served as the General Manager of the hotel in 1958.

However, after Yao, *-Jian made a capital contribution, Huang, *-Wen made excuses not to hand over the hotel's seal and obstructed Yao, *-Jian from exercising his powers as General Manager. The two parties hence became at odds with each other and entered into litigation. With the intention of murder, Huang, *-Wen informed Chen, *-Zhou of the murder plan prior to the murder, and Chen, *-Zhou provided two pairs of rubber gloves. At about 2 a.m. on July 18, 1959, Wu, * and Yang, *-Chun was safeguarding the door, while Huang, *-Wen, along with the other defendant, You, *-Chiu, Wang, *-Yun, and Lin, *-Zan, were killing Yao, *-Jian in Room 214 in the hotel. Yao, *-Jian was injected with parathion to death jointly by the four defendants, and was staged as committing under the disguise of hanging himself as the defendants attempted to escape their criminal liabilities.

Through an investigation, Huang, *-Wen was prosecuted by the Taipei District Prosecutors Office on February 6, 1960 for the joint killing of Yao, *-Jian. Huang was detained by the court on February 9, 1960. Later, Taiwan High Court ruled the suspension of the trial as Huang, *-Wen was transferred to the hospital for confined treatment. On May 23, 1977, Huang, *-Wen was wanted for the first time which was later withdrawn. On June 29, 1997, Huang, *-Wen was wanted for the second time. On July 10, 2004, the period of limitation of prosecution has terminated. On November 7, 2006, Huang, *-Wen was exempted from prosecution and the case was closed after 47 years of vexatious litigation. This case marks the longest-dragging case ever in Taiwan's judicial history.

III. The mother-killing case committed by Hua, *-Guo

At about 5:30 a.m. on September 25, 1974 in the rented premises in Shilin District, Taipei City where Hua, *-Guo and his mother lived, Hua, *-Guo tried to rape Hua, *, his mother's adopted daughter who slept with the mother, who was scolded by his mother after the mother was awakened. Then Hua, *-Guo got angry and killed his mother with three stabbings by knife.

The prosecutor of the Taipei District Prosecutors Office prosecuted Hua, *-Guo for homicide. During the vexatious litigation, Hua, *-Guo had been sentenced to death for 12 times and acquitted seven times. In the end, the Supreme Court supported the opinion of the Taiwan High Court to remand the eighteenth trial, and dismissed the defendant's appeal, and finally the defendant was sentenced to life imprisonment and the case was closed on July 29, 1986. This case marks the case with highest number of "remand" ever in Taiwan's judicial history.



The 3rd edition of the United Daily News on July 22, 1956

[Impact] The Control Yuan's investigation found that the two police officers involved in the initial investigation

had falsely accused Hua, *-Guo of forcing the adopted daughter to put on the clothes splashed with blood in the first and second instance, and that the prosecutor had done a sloppy investigation; therefore, it decided to impeach these three people. Although the two police officers were prosecuted, they were found not guilty. Therefore, in order to strengthen the investigative ability of the judicial officer, the Training Institute for the Judiciary extended the judicial officer training from one and a half years to two years, and the alternate candidate period from two years to five years, so as to avoid the occurrence of sloppy investigations.

IV. The Formosa Incident

In the name of "Human Rights Commemoration Committee," the Kaohsiung City Service Office of the Formosa Magazine applied for a parade and speech event to be held at the Rotary Park opposite to the President Department Store in Kaohsiung City from 6 p.m. to 11 p.m. on December 10, 1979. The event was mainly themed on "Celebration of the 31st Anniversary of World Human Rights Day." However, such an application had not been approved. People related to the Formosa Magazine then decided to still hold the parade in Kaohsiung according to their original plan.

As the original event site was blocked, Huang, *-Jie, Shi, *-De, Yao, *-Wen, et al. then led hundreds of people carrying sticks, torches, and loudspeakers, and set off from the Kaohsiung City Service Office of the Formosa Magazine. These people paraded towards the Grand Circle of Xinxing District in Kaohsiung City. After arriving at the Grand Circle, the people in the parade entered into a large-scale conflict with the police trying to control the riot. After the incident, military prosecutors charged the eight people, namely Huang, *-Jie, Shi, *-De, Zhang, *-Hong, Yao, *-Wen, Lin, *-Xiong, Chen, *, Lu, *-Lian, and Lin, *-Xuan, with the crime of insurgency. Under pressure from the international community, led by the US along with other countries, the Taiwanese Government allowed not only the reports by well-known international media, but also the reports by domestic newspapers covering the interrogation processes and the defendants' defense as never before. On April 18, 1979, the military court concluded the judgement that, Shi, *-De was sentenced to life imprisonment, Huang, *-Jie was sentenced to imprisonment for 14 years, and the remaining six people were all sentenced to imprisonment for 12 years. On May 30, 1979, the High Review Court formed by the MND reviewed and finalized such judgement and the case was closed. Those other 31 people, Zhou, *-De et al., who participated in the parade activities were prosecuted by the Taipei District Prosecutors Office, and were sentenced to imprisonment for various terms, by the Taipei District Court. On May 20, 1990, the President of the R.O.C. signed an amnesty decree for the Formosa Incident, by which the political prisoners of the Formosa Incident regained their freedom.

V. The homicide case of Yu,*-Mei's family members

Lin, *-Xiong, a member of the Taiwan Provincial Council, was prosecuted for insurgency for the Formosa Incident by the Military Law Department of the Taiwan Garrison Command ("TGC"), and was detained in Jingmei Military Detention Center, awaiting trial. On the morning of February 28, 1980, Lin, *-Xiong was tried at the Military Law Department of the TGC, where his family members were also present. However, around noon time, Lin, *-Xiong's residence located on Xinyi Road, Taipei City was broken into, and Lin, *-Xiong's mother and the 7-year-old twin daughters were all stabbed to death, and the 9-year-old eldest daughter was seriously wounded.

Since Lin, *-Xiong was detained by the TGC for the Formosa Incident at the time, the murder matter was sensitive. Although the TGC monitored Lin, *-Xiong's residence, the monitoring data was not properly preserved. At the time of the murder, Lin, *-Xiong had been detained for more than two months. His family members were all women and children, and there was no relevant witness testifying about any personnel suspected of being the intelligence personnel hanging around the Lin's residence for a long period of time. Moreover, insufficient evidence was obtained at the scene of the homicide, and the scene where the remains were laid was accessed by many people prior to the forensic personnel's arrival, not to mention that the scene was open to the family members too soon; therefore, few heuristic physical evidence was collected, and the murderer(s) is (/are) still at large to this day.

VI. The homicide case of Chen, *-Cheng

After obtaining his Ph.D. in the United States, Chen, *-Cheng worked as an assistant professor in the Department of Statistics of a university in the United States. However, he was extremely concerned about the democratic and human rights movements in Taiwan. On May 20, 1981, the Chen, *-Cheng family returned to Taiwan from the United States to visit relatives. On July 2, 1981, Chen, *-Cheng was picked up by three people from the TGC at Chen, *-Cheng's residence and escorted to the VIP room on the second floor of the Security Department of the TGC for an interview, on the grounds that Chen, *-Cheng had



provided financial assistance to the Formosa Magazine. On the early morning of July 3, 1981, the day after the meeting, Chen, *-Cheng was found dead laying on the ground next to the Graduate School Library of National Taiwan University. According to the expert opinion of the Institute of Forensic Medicine, it was indicated in the examination and autopsy report on Chen, *-Cheng corpse that there was no evidence of oral mucosal stasis and injury resulting from the clogging of the victim's nose and mouth. Only external injury resulting from falling appeared on the victim's corpse. There was no evidence showing any external bleeding or injuries resulting from heavy blows to the head and neck of the victim, nor any wounds resulting from resistance of the victim. However, the horizontal movement distance of the fall was within the average of either suicide, homicide, or accident, Therefore, it was impossible to infer the cause of Chen, *-Cheng's death based on the movement distance of the corpse.

Since this case also involved Taiwanese students on university campuses in the U.S., hired by the Kuomintang ("KMT") to monitor other Taiwanese overseas students' conduct, this case later aroused great repercussions. The U.S. Congress held a hearing in October 1981 to investigate the special student spies on American university campuses under the KMT's arrangement, yet no conclusions were made from the investigation.

VII. The robbery crime committed by Lee, *-Ke

On April 14, 1982, a robber disguised in a hat and face mask broke into the Kuting Branch of the Land Bank of Taiwan ("LBT"). He robbed the bank of more than NTD 5.3 million in cash on the spot and wounded the clerks. As this case marks the first armed bank robbery case in Taiwan, the society was shocked at the time. The police also provided an award of NTD 2 million to whoever provided any clues to solve the case, which set the record of the highest award for the year. According to the report by a secret witness, the retired veteran Lee, *-Ke was arrested by the police on May 7, 1982. The police found that Lee, *-Ke shot a police officer of the Mobile Division of Taipei City Police Department who was stationed in the Apostolic Nunciature to China, with a self-altered handgun in 1980, and stole the point 38 caliber revolver from the victim. Lee, *-Ken then robbed the bank in 1982 with the revolver.

The prosecutors of the Taipei District Prosecutors Office then transferred the case to the TGC in accordance with Martial Law, and military prosecutors took over the case. Lee, *-Ke was sentenced to death, the only penalty for crimes of this kind, in accordance with the Robbery Punishment Act on May 21, 1982, and the death penalty by shooting was executed in early morning on May 26, 1982.

However, during the investigation of this case, the police abused their power in handling the case. Due to the time limit set by the ruling authorities to solve the case, the police arrested Wang, *-Xian, a taxi driver who resembled the real suspect in appearance and accent, based on wrong information. Tortured by a police officer from the Theft Clearance Section of the Criminal Investigation Bureau ("CIB"), Wang, *-Xian confessed by force to the robbery of the LBT. During the process when Wang, *-Xian led the police to Bitan Amusement Park and other places to look for criminal tools and stolen money, Wang *-Xian jumped off the Xiulang Bridge and died. On the very same day, the real robber Lee, *-Ke was arrested, only then the police realized that the previous arrest of Wang, *-Xian was a mistake. Taipei District Prosecutors Office then prosecuted the five police officers Zhan, *-Rong et al. from the CIB for offenses of causing death against personal freedom, and the sentences thereof were finalized.

[Impact] Due to the instance of Wang, *-Xian death case, legislators started to pay attention to the importance of safeguarding the defendant's rights through the appointment of their defense attorneys during the investigation. In 1982, the provisions of Articles 27 and 245 of the Code of Criminal Procedure were amended, where the defendant may at any time during the investigation retain their defense attorneys and the defense attorneys shall be entitled to be present during the interrogation of the defendant or criminal suspects by the prosecutor or the police. These amendments aim to avoid the torture and forced confession imposed on the defendant through the review and improvement of investigation procedures.

VIII. The Tenth Credit Cooperative case

As the Chairman of the Council of the Tenth Credit Cooperative ("TCC"), Tsai, *-Zhou also acted as the Chairman or Vice Chairman of a subordinate company of Cathay



Plastic Affiliates. Due to difficulty in capital turnover as a result of the poor management and heavy burden of interest on private loans, Tsai, *-Zhou instructed his subordinates to make illegal loans as of June 1984. Since loans from the TCC were granted to members only, Tsai, *-Zhou asked his employee's family member to become a member of TCC. Tsai, *-Zhou then borrowed the money granted by the branches of TCC in the name of that TCC member for capital turnover of Cathay Plastic Affiliates. The high amount of loan was released by the TCC for the capital turnover of Cathay Plastic Affiliates, even though the loan was only reviewed on paper under the formality by the Loan Review Committee of TCC, or where the loan application was not reviewed by the Loan Review Committee of TCC, or where the creation of the mortgage against a real property as the loan guarantee was not completed. To this end, the creditor's rights on this huge loan amount failed to be secured. The loan even amounted to 1,555,000,000 NTD from the Changchun Branch alone. In early 1985, as the ratio of the total loans to the total deposits of the TCC reached as high as 102%, it was evident that TCC could no longer sustain any more loans. In order to protect the legitimate rights and interests of depositors and stabilize the financial order, the Ministry of Finance ("MOF") explicitly ordered TCC to suspend business for three days, and the TCC business was temporarily taken over by Taiwan Cooperative Bank.

The outbreak of the TCC case severely hurt investors' confidence in Taiwan. All branches of the TCC were subjected to serious bank runs, and thousands of depositors also lost all their entire life savings.

This case marks the earliest finance tunneling case associated with a financial institution in Taiwan. From that on, the MOF examined the inspection



The 7th edition of the United Daily News on Oct. 4, 1986

mechanisms of all Credit Cooperatives : meanwhile, Prosecutors Offices started investigation in the early stages when problems arose in financial institutions. In so doing, we hope to prevent further financial losses in advance with judicial intervention.

IX. The embezzlement case committed by Liu, *-Jie

In 2003, taking advantage of the opportunity for disposal of stock shares of United Microelectronics Corporation ("UMC"), on behalf of, and owned by San Disk Corporation ("SDC"), Liu, *-Jie, a senior paralegal of the Investment Department of the Lee and Li Attorneys-at Law ("Lee and Li"), a well-known Taiwanese law firm, through the convenience in his position, stole more than 120,000 shares of UMC's stock shares owned by the SDC, and embezzled the proceeds 3,090,867,453 NTD from the sale of such stole shares into personal possession. Liu, *-Jie then hid the illegal money by buying high-priced jewelry, diamonds, watches, etc. before carrying such goods out of Taiwan, or by transferring the money to China through underground banking remittance. Later the embezzlement crime committed by Liu, *-Jie broke out, which shook the entire society in Taiwan.

After the incident, Liu, *-Jie absconded overseas, and was listed as one of the top ten most wanted criminals in Taiwan. The Lee and Li once issued an astronomical reward of 150 million NTD on the whereabouts of Liu, *-Jie. It had been 14 years since the outbreak of this incident, and none could locate Liu, *-Jie, including the Prosecutors Office, the Investigation team, the gangsters, and the police in China, as if Liu, *-Jie had evaporated from the world. Liu, *-Jie was wanted by the Taipei District Prosecutors Office, but on August 8, 2017, the statute of limitations of prosecution has expired. Finally, on September 15, 2017, Liu, *-Jie was ruled for not to prosecute by the Taipei District Prosecutors Office.

X. The financial tunneling case of Pacific Electric Wire & Cable Co., Ltd

As a high cadre promoted by Sun, *-Min, Hu, *-Jiu was the Chief Financial Officer ("CFO"), a Director, the Vice President of the Pacific Electric Wire & Cable Co., Ltd. ("PEWC"). In 1980, Hu, *-Jiu started to be responsible for oversea investments and financial operations. In 1992, Hu, *-Jiu became the Chairman of Mosel Vitelic Inc. on behalf of the

PEWC. Between 2003 and 2009, Hu, *-Jiu had established 146 overseas subsidiaries of PEWC in BVI, Bermuda, Hong Kong, etc., and had obtained bank loans totaling 17,183,916,000 NTD guaranteed by PEWC. These loan proceeds were remitted to a paper company established by Hu, *-Jiu, and used for the purchase of Marina Square in Hong Kong, Win Win International Holdings Limited (PacMOS Technologies Holdings Limited), and other assets. Some of the funds transfer done by Hu, *-Jiu went through Central Pacific Enterprise ("CPE"), an overseas financial operational center of PEWC. After the embezzlement incident, Hu, *-Jiu then liquidated CPE, incurring a debt of about 200,000,000 NTD for the PEWC. When PEWC sold the Conrad Hong Kong, Hu, *-Jiu embezzled 61,500,000 NTD which was remitted to his own paper company. Prior to Hu, *-Jiu leaving PEWC on August 13, 2009, Tong, *-Yun, Tong, *-Jie, and Sun, *-Cun detected the embezzlement Hu, *-Jiu had committed, and held a secret meeting. Concerned about the possible criminal liabilities they could face, and the possible financial restrictions the banks might impose, the three people continued to forge official documents. Meanwhile, taking advantage of the opportunity of selling the PEWC stock shares to Tomson Shanghai Pudong Golf Company, Tong, *-Yun embezzled 5.58 million NTD from PEWC. Furthermore, PEWC's interests were damaged through unconventional transaction approaches. As a result, a total of 764,676,000 NTD was embezzled. Meanwhile, Miu, *-Yi, the Chairman of Pacific Technology Co., Ltd., also embezzled 1,554,858,000 NTD by forging false transaction records through opportunities taken. In addition, Huang, *-Lin, secretary to the President of PEWC, also forged a consulting contract through paper company, thus receiving the consulting fee of 387,000 NTD from PEWC which was misled.

Holding the important positions as the Chairman, Vice Chairman, President, Vice President, Director, Executive Vice President and CFO, etc. of PEWC, Tong, *-Jie, Tong, *-Yun, Sun, *-Cun, Hu, *-Jiu, Miu, *-Yi, and Huang, *-Lin had actually tunneled nearly 20 billion NTD (about 6,666,660,000 USD) from PEWC to benefit themselves by forging certificates of deposit to make accounts look normal. On November 15, 2004, Taipei District Prosecutors Office prosecuted the six defendants for breach of trust, forgery of official documents, embezzlement, money laundering, and violations of the Business Entity Accounting Act, and the Securities and Exchange Act, etc. A sentence of imprisonment for 20 years was pleaded for Hu, *-Jiu, 7 years for Tong, *-Yun, 4 years for Huang, *-Lin, and 10 years for Miu, *-Yi.

After a long trial of 13 years, the judgement was finalized and the case was closed on August 31, 2017, where Hu, *-Jiu was sentenced to imprisonment for 14 years and 6 months, Sun, *-Cun to 3 years, Tong, *-Yun to 3 years and 2 months, Miu, *-Yi to 6 years, and Huang, *-Lin to 1 year and 6 months.

[Impact] As far as the impact of this case was concerned, the FSC announced in 2006 the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, where the board of directors of listed companies shall include 20% independent directors. In 2009, The PEWC implemented the independent director system.

XI. The financial tunneling case of Kuo Hua Life Insurance Co., Ltd.

Serving as the responsible person or directors of Hualon Corporation ("Hualon") or Kuo Hua Life Insurance Co., Ltd. ("KHLI"), the four brothers of the Weng family, namely Weng, Da-* et al., illegally applied to KHLI for a loan of an excessive amount, 7 billion NTD, based on collateral with almost no residual value which was nevertheless falsified with high appraisal value through collusion between the Weng brothers and the appraiser.

On April 15, 2005, the Taipei District Prosecutors Office prosecuted 16 defendants for breach of trust and forgery of official documents. On May 8, 2015, the Taipei District Court sentenced Huang, *-Mei and other employees of KHLI to imprisonment for 2 years to 1 year and 6 months; Liang, *-Xiong (the President of Hualon) to 5 years, Zhang, *-Ru to 10 months, and Hong, *-Long to 1 year. The defendants Weng, Yi-*, Yeh, *-Xian, Chen, *-Cheng, Xiao, *-Min, et al. passed away during the trial, and Weng, Da-* passed away after the last oral-argument. Weng, You-*, Weng, De-*, and Zhang, *-Song were wanted by the court. After Weng, Yi-*, the Chairman of KHLI passed away in 2006, his daughter Weng, *-Jia succeeded as the Chairman. KHLI's net value was negative 18.5 billion NTD until Chen, Lu-An, the former President of the Control Yuan took over as the Chairman in 2008. Chen, Lu-An actively invested in the stock market. However, in the 2008 financial turmoil, KHLI suffered more losses. In August 2009, the FSC announced its takeover of KHLI when KHLI's net worth dropped to negative 57.9 billion NTD. In 2012, KHLI was acquired by TransGlobe Life, and 88.368 billion NTD was paid to the

buyers from the insurance funds. To this end, KHLI marks the first domestic insurance company taken over by the government.

XII. The financial tunneling case of Rebar Group

On December 29, 2006, China Rebar Co., Ltd. and Chia Hsin Food & Synthetic Fiber Co., Ltd., the two flagship enterprises of Rebar Group, suffered huge financial losses and liabilities, so they filed an application to the Taiwan Taipei District Court for corporate reorganization and the news was announced on January 4, 2007. As a result, it triggered a bank run on The Chinese Bank ("TBC"), a subsidiary of Rebar Group. The government ordered the takeover of TBC. The prosecution and investigation authorities also commenced their investigations, and it was found that Wang, *-Zeng, the responsible person of Rebar Group, and his family were suspected of illegally tunneling the industry under Rebar Group and Eastern Group on a large scale up to NTD 100 billion. The former Chairman Wang, *-Zeng and his wife Wang-Jin, *-Ying escaped to China on January 5, 2007 then subsequently fled to the U.S., after filing an application for corporate reorganization. They became criminals wanted by the R.O.C. Government for tunneling Group assets. On May 27, 2016, Wang, *-Zeng died in a car accident in the U.S. The seven children of Wang, *-Zeng were prosecuted by the Taipei District Prosecutors Office and were found guilty by the court, except for Wang, *-Fu who was the only child in the family not involved in the case. All of the prosecuted children were sentenced to fixed-term imprisonment, except for Wang, *-Ke who was announced to be on probation.

The case set numerous records in judicial history of prosecution offices, including the most pages in an indictment of up to 940 pages and 5+ centimeters in thickness; the largest number of listed defendants for economic crimes in a single tunneling case of the financial institution; the highest criminal proceeds amounted to 73.1 billion NTD from

embezzlement and fraud loan (whereas 17.1 billion NTD in the tunneling case of PEWC and 27.6 billion NTD in the fraud case of CTBC Holding); the highest number of people (up to 93 people) under the border control for a single financial and economic crime case; the highest number of people (up to 13 people at one time) detained for a single financial crime case; the highest number of people mobilized (4,292 people-times) during investigation of one case; and the most diversified crime patterns. According to the prosecutors' analysis, the main criminal patterns in this case were 12 kinds of crime patterns between the Rebar Group and its 68 pseudo companies (small companies).

力霸案定讞 王令麟判刑5年半

王令一合計30年、王令台6年8月、王令楣5年6月、王令僑23年6月 一家5兄妹都要入監服刑

【記者蘇位榮、陳雲淵、江碩頌、彭慧明／台北報導】喧騰一時的力霸掏空案最高法院昨天宣判，東森集團總經王令麟被依證券詐欺罪等廿個罪名，所判各刑合計五年六月，他的四個兄弟姊妹王令一、王令台、王令僑、王令楣五人都要入監服刑。

防範潛逃 全面監控行蹤

為了防範王家兄弟潛逃出境，最高法院在宣判後立即通知最高檢察署，全面監控王令麟等人行蹤。王令麟出售東森媒體股權給凱雷集團涉及內線交易部分，高院原則判他三年四月，但最高法院認為尚有事實待調查，且應交台港辦法，撤銷判決發回更審。

王令麟：坦然面對司法判決

王令麟昨天說，他雖然面對司法判決，有七十多名力霸集團員工被投保中心求償，他代他們償還一億多元。東森國際昨晚發表重大訊息表示，對此判決深感遺憾，東森國際董事長王令麟收到判決書後，將再與律師研議，後續將聲請再審或非常上訴等救濟途徑。

王令麟刑期不會超過五年

最高法院指出，王令麟被判的罪，有一部分可以易科罰金，其他不得易科罰金部分共計判五年，須由台灣高等法院裁定合執行刑，預計王令麟的刑期不會超過五年。至於王令一及王令僑，因適用舊刑法規定，有期徒刑最高為廿年，他們的應執行刑依法不會超過廿年。

王又曾逃上美國 檢方通緝

力霸掏空案被稱為「史上最大經濟犯罪」，王又曾家族掏空詐資三百多萬元，被害多達一百零四人，犯罪事實包括王家掏空力霸、嘉食化、中華銀行、力華證券、騰亞亞太商網等四十個犯罪行為，案前力霸集團創辦人王又曾攜四房王金世英逃往美國，至今逍遙法外，被檢方通緝。王令麟因此案遭通緝，後來法院裁定一億五千萬元天價交保紀錄，一審法院判他刑十八年，併科罰金七億元，二審法院則改判十二年四月徒刑。他的其他部分犯行，去年被高院依偽造文書罪判執行一年確定，因他在偵審中曾被羈押三百四十天，扣除後，去年入監服刑廿天。

最高法院昨天判決王令麟犯的事實包括，騰亞亞太商網公司數據機，向小股東詐購東森媒體控股票，參與東森媒體製作虛假不實的動產買賣、製作力霸公司台力公司不實帳冊、轉賣價值低小公司以掏空力霸集團，出不實財報詐貸等。

The A4 edition of the United Daily News on Aug. 15, 2013

XIII. The stealing case of the First Commercial Bank

Peregudovs Andrejs ("Andrejs" in short, a national of the Republic of Latvia) and 21 other foreigners, along with members of unknown age and name, together formed an international criminal syndicate that invaded banks' intranet to steal money from the automated teller machine ("ATM"). Through the Internet, they came to know that in London Branch of the First Commercial Bank ("FCB"), a computer system loophole existed in the telephone recording host which can connect both the Internet and the intranet of the FCB. They also came to know, in an unknown manner, that most of the ATMs used inside the FCB were model No. ProCash 1500 produced by Wincor Nixdorf International GMBH, a German Company (its presence in Taiwan was an agency named Wincor Nixdorf Co., Ltd.), as well as the operating and controlling mechanism of the money dispensing module inside this model of ATMs. On the early morning of July 10, 2016, this syndicate started to act, where they invaded the computer system on the intranet through the loophole and sent codefendants to collect money dispensed from ATMs of FCB. They eventually stole a total number of 83,277,600 NTD from FCB.



[https://news.ltn.com.tw/news/society/breakingnews/2172979/2017.08.24/Liberty Times Net](https://news.ltn.com.tw/news/society/breakingnews/2172979/2017.08.24/Liberty%20Times%20Net)

At 20:17 on July 10, 2016, two Taiwanese nationals went to the ATM at the Guting Branch of the FCB located on Roosevelt Road, Daan District, Taipei City to withdraw money. They found that two suspects came to the ATM in a hasty and panic manner, and left 60,000 NTD at the money dispensing outlet of the ATM. Sensing a suspicious activity, the two Taiwanese nationals alerted the police. After tracking the case through hints, the police cracked the case in only seven days. As of 17:10

on July 17, 2016, the three defendants, namely An*js, Pan*fu, and Mi*er were arrested, and the stolen money 77,481,100 NTD was recovered and seized (the recovery rate of the stolen money reached as high as 93.04%).

The prosecutor of the Taipei District Prosecutors Office commanded the New Taipei City Field Division of the Investigation Bureau of the Ministry of Justice to identify and compare the telephone recording host, AP server, NCR server, and ATM computer of the London Branch of the FCB. They discovered the whole facts that the syndicate invaded the computer system and implanted the malicious software programs. Based on the facts, the three defendants were prosecuted for stealing others' property through the automatic equipment in an illegal way, and for groundlessly invading other's computer through the loophole in the computer system. Accordingly, an imprisonment of 12 years was sought for the defendants. Meanwhile, the other 19 defendants were put on the wanted list. Under trial, the court concluded that the three defendants jointly committed the crime of groundlessly altering or deleting the electromagnetic records in other's computer, hence the three defendants were sentenced to imprisonment for a term from 4 years and 6 months to 4 years and 10 months.

[Impact] This case attracted high attention from the "Global Prosecutors E-Crime Network" at the 10th Asia-Pacific Regional Conference of the International Association of Prosecutors. Prosecutors from Taiwan were invited to share their investigation experience. The core suspect, Babii Evgenii, was later arrested in Belarus, and then the European Union Agency for Law Enforcement Cooperation also invited Taiwanese delegates to participate seminar held at their International Headquarter in Hague, the Netherlands. These events were of substantial help to Taiwan's participation in international organizations and joint cooperation in combating crime. Moreover, Normal Life Pictures, an independent British film producer established in London, the U.K., also dispatched its personnel to Taiwan during June 3 to 5, 2019, to shoot a documentary on the hacker's theft case associated with the FCB. The film covered an introduction to this case and interviews with related personnel, which had been posted on the YouTube platform successively on August 21, 23, 26, and 27, 2019. This shooting of this documentary will help the experience exchange in transnational case investigation and elevate Taiwan's judicial reputation and image internationally.



XIV. Violation of the Anti-Corruption Act, etc. by Zhao, *-Xiong

As the Commissioner of the Department of Finance of Taipei City Government, Lee, *-De also served as a Review Committee member and the Lead Contract Negotiator for the Taipei Dome case. Conspired for the illegal interests from the Farglory Dome League (“Farglory League”), Lee, *-De arbitrarily made the decision on the change of the contractual articles, resulting in unlawful benefits to Farglory League and damage to the rights and interests of the Taipei City Government, where the Farglory Dome Co., Ltd. (“Farglory Co.”) will not have to pay any operating royalties for 50 years after the commence of the operation of the Taipei Dome. As high as 3.042 billion NTD was estimated to be the unlawful gains to Farglory Co. which even monopolized the operating profits of the Taipei Dome which was of a nature of the public property of the Taipei City Government. The Taipei City Government alone was left to bear the huge public debt and the financing interest incurred on the land of the Taipei Dome, which has seriously damaged the rights and interests of the Taipei City Government.

Serving as the CEO, Deputy Manager and Engineer of the Taiwan Architecture & Building Center (“TABC”), respectively, Hsu, *-Wen, Tsai, *-Fen, and Yan, *-Xiong engaged in public affairs

related to the authorities of review and approval of plan of performance-based design of fire safety and evacuation which was entrusted to the Construction and Planning Agency (“CPA”) of the Ministry of the Interior (“MOI”). Since Farglory Co. failed to secure the construction permit for a dragging period, Zhao, *-Xiong sought assistance from Yeh, *-Wen, the Director General of the CPA, who in turn sought assistance from Hsu, *-Wen. Repeatedly urged by Yeh, *-Wen, Hsu, *-Wen failed to resist the pressure and also conspired for the illegal interests from the Farglory Co., so Hsu, *-Wen falsely put down the wording “The project evaluation team has resolved to approve the issuance of the Assessment Reports,” etc., so that Farglory Co. could avoid losses, including claim for default penalty from the Taipei City Government, or the outcome of the inability to recover the costs and fees already paid by Farglory Co. and the confiscation of the contract performance bond (if the Taipei Dome project were taken over by the Taipei City Government, the construction were suspended, or the contract were terminated), as well as that Farglory Co. could continue the construction and operation of the Taipei Dome, and the expected illegal benefits from the ancillary commercial facilities. Accordingly, the fire fighting and evacuation safety after the opening of the Taipei Dome was seriously undermined, and the life, physical and property safety of the public were endangered.

Zhao, *-Xiong and Hsu, *-Qiang intended to act for the illegal interests of Farglory Life Insurance Inc. (“Farglory Life”) and damaged the interests of Farglory Land Development Co., Ltd. (“Farglory Land”), thus violating their duties. They directly or indirectly misled Farglory Construction Co., Ltd., a subsidiary of the Farglory Land, and Tong Yuan Construction Co., Ltd., a subordinate company of the Farglory Land, to enter into deals unfavorable to the two companies, by exerting Zhao, *-Xiong’s substantial control power over the two companies. As a result, the two companies had undertaken engineering projects from Farglory Life (for a total of 14 engineering in the total contract amount more than 20.7 billion NTD); however, the construction engineering contracts were put under the name of I*, et al. 5 companies, so that Farglory Life only needed to pay the engineering amounts, including the engineering costs and the labor costs incurred for Tong Yuan Construction only, but excluding the conventional profits, a common practice in business dealing, payable to Farglory Construction and Tong

Yuan Construction), to I*, et al. 5 companies in corresponding to the consideration amounts. To this end, the two construction companies received zero profits in dealing with Farglory Life, and Farglory Land indirectly incurred a major profit loss of 603,573,812 NTD. With the common intent to illegally benefit the third party Zhao, *-Xiong, Chen, *-Mei and Zhao, *-Nu handed over the "Payment Receipt Form" filled out by the personnel of the Construction Management Section through price alteration by the construction personnel on -site, the proceeds (based on the altered prices) from the sale of the scrap reinforcing bars from the construction site at the Taipei Dome, as well as the attachments, including weight note and photos, to Lee, *-Ping, a payment receiver of the Financial Section of the Financial Office of the Farglory Group who was unaware of the true situation. After Lee, *-Ping completed the deposit of the proceeds into Zhao, *-Xiong's personal bank account according to the nature of the "Payment Receipt Form", Zhao, *-Nu then prepared the voucher including the abstract contents of registered engineering project no. and "the sale of the scrap reinforcing bars" (including weight, unit price, etc.), according to the "Payment Receipt Form" and related attachments handed over by Lee, *-Ping. Such voucher was listed on the subsidiary ledger "cash on hand", becoming one of the capital sources to Zhao, *-Xiong. In this manner, Chen, *-Mei and Zhao, *-Nu jointly embezzled funds in the amount of 4,810,036 NTD to which Farglory Construction and Tong Yuan Construction were entitled. Moreover, in order to bribe Liu, *-Kiao, a member of the Urban Planning Commission, New Taipei City, Zhao, *-Xiong et al. instructed Wei, *-Xiong to relate the message to Farglory Land, indicating that Farglory Land must let Y * Liu Architecture & Associates undertake the "H117 Residential Design Project for the Qiyan Community in Beitou District" in a total design fee of 12,087,300 NTD, without the 15% discount on the design fee as required internally by the Farglory Group, so as to indirectly benefit Liu, *-Kiao, in a disguised form, the extra design fee of 1,813,095 NTD requested from Farglory Land. The intention was to take advantage of Liu, *-Kiao's authority on the review of the urban planning, to assist in relaxing the restrictions to the building height for the Tucheng Development Project, and in reviewing the urban planning for the Xinzhuang Development Project in Antai Section. Later on, although Liu, *-Kiao failed to meet or conform to the planning design requirements of the Farglory Land, and the contract thereof was terminated, Zhao, *-Xiong still paid Liu, *-Kiao the gross amount 2 million NTD (the net amount was 1,799,960 NTD after tax deduction and postage) in consideration of Liu, *-Kiao's position

as a member of Urban Planning Commission, where such a position may be of assistance in facilitating Farglory Group in other development projects in New Taipei City. Such gross payment of 2 million NTD was to substitute as an alternative to the previously unrealized creditor's rights of 1,813,095 NTD, and as the consideration for Liu, *-Kiao's addressing at the meeting of the Urban Planning Commission of the New Taipei City in supporting the relaxation of the restrictions to the building height for the Tucheng Development Project and Liu, *-Kiao's assisting in reviewing the urban planning for the Xinzhuang Development Project in Antai Section. Furthermore, with a Ginseng gift box of Cheong Kwan Jang worth 108,675 NTD, and a pre-paid (meals and lodging inclusive) 4 day and 3 night stay at the Hualien Farglory Hotel, Zhao, *-Xiong tried to bribe Hai, *-Ping, Section Chief of the Plan Reviewing Division of the Urban and Rural Development Bureau of New Taipei City, for improper benefits, including Hai, *-Ping's assistance in accelerating the promotion of the Tucheng Development Project, and in supporting the review of the urban planning for the Xinzhuang Development Project in Antai Section.

As an elected councilor in New Taipei City, in order to participate in the tender bidding for the earthwork removal engineering under the Farglory Group's Taipei Dome Project, Zhou, *-Kao set up a pseudo company Shengyi Construction Co., Ltd. ("Shengyi") with a capital increased to 100 million NTD. Moreover, regarding the earthwork removal engineering contracted out by the Procurement Department of Farglory Group, Shengyi was the bidder offering the highest bid price; however, Zhao, *-Xiong still awarded the bid to Shengyi, hoping that Zhou, *-Kao would continue to exert his position as a councilor and address at the Environmental Impact Assessment Committee (where Zhou, *-Kao had a close tie based on Zhou's position activities) to support the Tucheng Development Project for Zhao, *-Xiong, so that Shengyi benefited by at least 16 million NTD worth of creditor's right. Due to the bribe from Zhao, *-Xiong, Zhou, *-Kao continued to facilitate the environmental impact assessment progress for the expediting of the Tucheng Development Project. Besides, in order to ensure Zhao, *-Xiong could obtain an agricultural land certificate for the land in Xiandian, so that Zhao, *-Xiong could avoid the luxury tax of more than 170 million NTD, Zhou, *-Kao pleaded and pressured Director Liao, *-Qing of Agriculture Bureau, Wang, *-Yue, Head of Xiandian



District, and other related undertaking public servants to issue an agricultural land certificate for the land in Xiandian. As well, in order to support Zhao, *-Xiong regarding the resolution result made by the Environmental Impact Assessment Committee on the matter of mistaken data of the floor area ratio (FAR) in the design for the Tucheng Development Project, Zhou, *-Kao continued to pressure Lee, *-Kuei, a Section Chief in the Environmental Protection Department to hide the resolution result of the FAR set to be 240%; subsequently, Farglory Group's design with the FAR of 268% passed the review meeting. Additionally, Zhao, *-Kao asked Zhao, *-Xiong to sell one property in the Farglory CASA Sasanqua Garden at a discounted price of 5 million NTD, as a consideration for Zhou, *-Kao using his own substantial influence as a councilor and the close ties related to his position activities to support Zhou, *-Xiong in the abovementioned projects. In addition, Hong, *-Hong, Huang, *-Ming, and Hsu, *-Yu requested bribes from Zhao, *-Xiong and Wei, *-Xiong of about 95 million NTD, in connection with the land tender for reconstruction of the military dependents' villages, who had received 7.5 million NTD in bribes. After the conclusion of the investigation of this case, totally 31 people were prosecuted and 13 people were granted deferred prosecution. The amount of which the aforementioned 13 were ordered to pay defendants amounted to 47.1 million NTD, and 35.5 million NTD of criminal proceeds were recovered.

XV. Ma, *-Jeou's being suspected of violations of the Securities and Exchange Act

In order to disguise the substance of those disputed assets improperly acquired by Kuomintang ("KMT"), Ma, *-Jeou got rid of KMT's disputed assets in low prices and unconventional trading methods in the name of KMT's withdrawing from the media business by the time limit in accordance with the provisions of the Radio and Television Act. As well, in order expand KMT's influence through media, Ma, *-Jeou instructed Chang, *-Chen and Wang, *-Ching to sell the equities of Hua-Hsia Co., Ltd. ("Hua-Hsia") to the specific favorable dealing partner, namely Yu, *-Xin, the Chairman of China Times Media Group ("China Times"), one of the four major domestic newspapers at the time. The total consideration amount on the paper showed 4 billion NTD for the deal, but in reality, the actual transaction amount was only 2.15 billion NTD. Through such means of improper dealing, the intension was to engraft the tremendous profit to Yu, *-Xin from the colossal price difference. Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching were fully aware that Yu, *-Xin lacked sufficient capacity for the contract performance, Since Ma, *-Jeou had publically announced KMT's withdrawing from the media business by the time limit, he intended to deliver the effectiveness of the KMT's reform. In order to prevent the possible failure of the reform promise within one short month from adversely impacting his own political image and losing trust to the public, Ma, *-Jeou then accustomed to Yu, *-Xin inferior financial situation, repeatedly sacrificing the interests of Central Investment Holding Co., Ltd. ("CIH") and Kuang-Hua Co., Ltd. ("Kuang-Hua"), continuing to compromise and concession to the business terms and conditions proposed by Yu, *-Xin. During the negotiation, with the intention to benefit KMT, Ma, *-Jeou even guided Kuang-Hua to purchase the highly risky creditor's rights from the KMT at a price of 1,110,676,635 NTD, where such creditor's rights were unlikely for redemption and were questioned by Yu, *-Xin; therefore, Kuang-Hua suffered significant damage to its operational integrity and business reputation.

Moreover, fully aware that Yu, *-Xin intended to seek the windfall profits of nearly 500 million NTD in the equity transaction of China Television Co., Ltd. ("CTV"), Ma, *-Jeou

repeatedly instructed Chang, *-Chen and Wang, *-Ching not to break the deal. After Wang, *-Ching reported that the ownership of Hua-Hsia was closely tied to the disposition of the KMT's assets such as the old central party building, the equities of the Central Motion Picture Corporation ("CMPC" , now "Central Pictures Corporation"), the equities of the Broadcasting Corporation of China ("BCC"), in order to create the KMT's reform image, Ma, *-Jeou then instructed Chang, *-Chen and Wang, *-Ching to relate messages to Yu, *-Xin, indicating that if Yu, *-Xin agreed to let go the ownership of Hua-Hsia, then in return as a "return favor", Yu, *-Xin would be given the windfall profits in the equity transaction of the CTV. With the joint intention of Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching in benefiting the interests of Yu, *-Xin and Rongree Co., Ltd., Ma, *-Jeou instructed the implementation of the coded eight-pace "Demi-Gods and Semi-Devils" type of financial operating method to cover up the sale of the equities of the CTV at an unreasonably low price of 6.5 NTD per share, in exchange for Yu, *-Xin agreeing to entrust the stock shares of Hua-Hsia to the lawyer appointed by the CIH, so that Ma, *-Jeou, Chang, *-Chen and Wang, *-Ching could subsequently control and dispose of the equities of the CMPC and BCC, and other assets under the Hua-Hsia, which put the CIH and Kuang-Hua in an unfavorable transaction in the sale of the equities of the CTV, thus incurring significant damages of up to 494,304,397 NTD.



Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching were fully aware that CMPC was not the so-called broadcasting and television business as defined in the Radio and Television Act; and that it was not necessary to incorporate sale of the equities of the CMPC into the sale of the equities of CTV and BCC; as well as that the former Taiwan Provincial Administrative Executive Office previously entrusted the CMPC to run the Nissan Theater, where the issue of returning

Nissan Theater to the state as a national asset still remained outstanding. However, in order to quickly get rid of the abovementioned KMT's disputed assets improperly acquired as soon as possible, so as to avoid such assets being reclaimed as state assets, Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching jointly intended to benefit Chang, *-Fa and Evergreen Group from illegal profits at the cost of damages to the interests of the KMT since they recognized Chang, *-Fa's powerful political influence. Accordingly, Ma, *-Jeou independently reached an agreement with Chang, *-Fa, where the old central party building and the CMPC's Huahsia Building were bundled together and sold to Chang, *-Fa at a ridiculously low price of 4.3 billion NTD in total, including the unbelievably low sale price of 2.3 billion NTD of the old central party building. Moreover, the equities of the CMPC were sold to the buyer's group at a dirt cheap price of 65 NTD per share, resulting in the significant damage of 1,802,316,650 NTD to the CIH. Directly contacting Chang, *-Fa the specific person, Ma, *-Jeou, Chang, *-Chen, et al. sold the old central party building at a dirt cheap price, thus causing damage of at least 497,128,278 NTD to the KMT due to the difference of the sale price. Later, due to unable to fulfill the promise (i.e. the exchange condition) to Chang, *-Fa for Chang to acquire the Huahsia building at the price of 2 billion NTD, Ma, *-Jeou, Chang, *-Chen, et al. had to deduct 100 million NTD, for Chang, *-Fa Foundation, from the sale price of the old central party building, thus causing significant damages of 597,128,278 NTD in total to the KMT.

In order to accomplish the instructions from Ma, *-Jeou to enable the Evergreen to acquire the Huahsia Building at a price of "no more than" 2 billion NTD, Chang, *-Chen and Wang, *-Ching, although fully aware that Guo, *-Chiang, a member of the buyers' group, had no intention of contributing the capital, and Zhuang, *-Jun, another member of the buyers' group, lacked capital resources, still determined to cooperate with Guo, *-Chiang and Zhuang, *-Jun in proceeding with the deal since Guo, *-Chiang and Zhuang, *-Jun were willing to cooperate in the sale of the Huahsia Building. Moreover, in the deal a profit sharing mechanism was planned for the disposition of the highly risky real estate. Even when CIH only received a low amount of consideration price from the buyers' group, the operating rights and equities of the CMPC were promptly transferred to the buyers' group, so that the buyers'

group could operate capital reduction and obtain huge benefits from the capital reduction, thus enabling Zhuang, *-Jun to exert his position as the Vice Chairman of the CMPC to embezzle the funds of the CMPC. In order to dispose of the equities of BCC before the expiry of the equity trust period of Hua-Hsia, Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching, although fully aware that Zhao, *-Kang lacked capital resources to acquire the equities of BCC for a total purchase price of 5.7 billion NTD, still tried to take advantage of Zhao, *-Kang's willingness to cooperate, so as to substantially manipulate and control the huge asset interests of the non-Broadcasting Departments of BCC while expanding the influence over the media. Furthermore, Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching further led the Hua-Hsia to sell shares BCC to Zhao, *-Kang in coordination with Zhao, *-Kang's financial situation, which violated the provisions of the Company Act and the Business Mergers And Acquisitions Act, as well as violated the conventional business practices of CIH, Kuang-Hwa, Hua-Hsia, and BCC in acquiring or disposing of assets. Before the division of assets of BCC was implemented according to the law, Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching independently decided to sell the Broadcasting Department, a portion of the entire business of the BCC, to Zhao, *-Kang at a price of 1 billion NTD, as well as further designed favorable payment terms for Zhao, *-Kang, planned the unconventional transaction mechanism in nominally entrusting the assets of the non-Broadcasting Department, and mutually agreed that Zhao, *-Kang would be entitled to 96.95% of the interest of the future surplus of BCC.

On December 22, 2006, i.e. four days after Hua-Hsia and Zhao, *-Kang entered into a contract in transferring the equities of the BCC, Chang, *-Chen and Wang, *-Ching promptly transferred the operating rights of the BCC to Zhao, *-Kang, even though Zhao, *-Kang only paid the signing fee of 100 million NTD for a deal of as big a total price as 5.7 billion NTD in this subject deal. Furthermore, after the National Communications Commission approved the transfer of equities of the BCC, 96.95% of all the stock shares of BCC were promptly transferred to Zhao, *-Kang, even though Zhao, *-Kang did not pay any additional share prices. To this end, Zhao, *-Kang substantively controlled Sounds Nice Co., Ltd. ("Sounds Nice"), etc., whereas CIH and Kuang-Hwa suffered surplus damage of 1,552,700,391 NTD, as well as Kuang-Hwa, as the transferee of Sounds Nice etc., suffered significant passive damage of 2,845,300,000 NTD from

the creditor's rights on the remaining stock equity receivables related to Sounds Nice, etc. (where Kuang-Hwa had received zero compensation so far).

The case involving the three companies, namely the CMPC, CTV, and BCC had dragged on for 12 years. On July 10, 2018, with the clarification by the Prosecutors' the long investigation, Ma, *-Jeou, Chang, *-Chen, and Wang, *-Ching were prosecuted for being suspected of committing unconventional transactions and special breach of trust under the Securities and Exchange Act, as well as breach of trust under the Criminal Code, respectively.

【Impact】 The follow-up of the case related to Central Pictures Corporation is to retrieve 1 billion NT dollars for National Treasure and copyrights of 330 films which are worth 1.4 billion NT dollars. The total value of assets recovered is over 2.35 billion NT dollars.

September 17, 2021, Central Pictures Corporation settled with Ill-gotten Party Assets Settlement Committee (hereinafter, the Committee) in Taipei High Administrative Court for conditions that Central Pictures Corporation should pay 950 million NTD to the government of the Republic of China (hereinafter, the Government) and should acquire copyrights and ownership of 330 films, documentaries, and TV series including "The Duck Farming family", "Victory," "Eight Hundred Heroes"," A Brighter Summer Day," and "April Days." According to the evaluation report made by Great Eastern Management Consulting CO., Ltd which entrusted by Central Pictures Corporation, the estimated value of the abovementioned films is 1406 million and 751 thousand NT dollars. The film list also includes the world-renowned films as "The Wedding Banquet," "Eat Drink Man Woman," "Vive L'Amour," and "Hill of No Return." The conditions for settlement are all included in the indictment of the case of the Sale of KMT assets by Taipei Public Prosecutors Office. September 24, 2011, Central Pictures Corporation had rendered the abovementioned amount to the bank account belonged to the Central Bank designated by the Committee.

This is the first case brought by the Committee which is solved by making administrative contract rather than judicial judgement after the implementation of the Ill-gotten Party Assets Settlement Committee Act. The outcome not only enriches the Treasure, but also transfers ownership of important cultural assets to the Government.



Section 7 Cover page of the History of Prosecutors Office and the link of global website

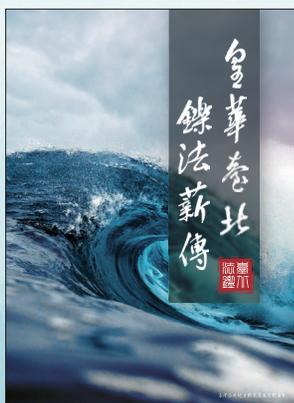
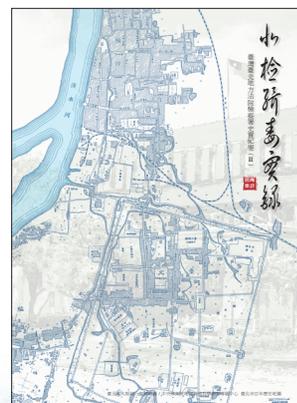
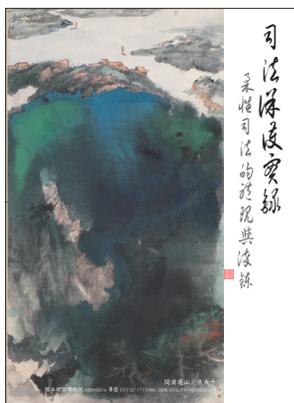
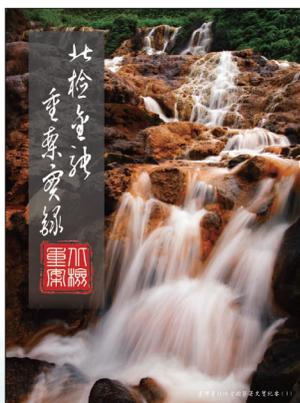


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