

# Chapter 8

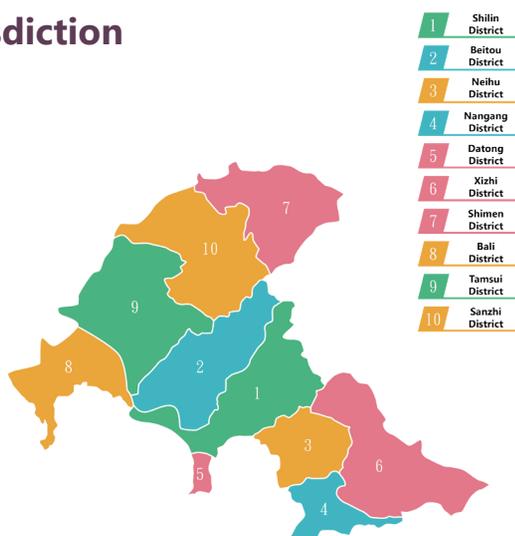
## Taiwan Shihlin District Prosecutors Office



### Section 1 Historical Overview

On August 1, 1984, Taiwan Shihlin District Prosecutors Office was established with the approval of the Executive Yuan. Its predecessor was the "Prosecution Department under the Shilin Branch Court of Taiwan Taipei District Court." On December 22, 1989, this Prosecution Department was renamed the "Prosecutors Office under the Shilin Branch Court of the Taiwan Taipei District Court" in conjunction with the amendment of the Court Organization Act. On July 1, 1995, it was renamed the "Prosecutors Office of the Taiwan Shihlin District Court." On May 16, 2007, this Shilin Prosecutors establishment was restructured to the Prosecutors Office of the local District Court, as per the change of the court system, with the approval of the Executive Yuan. On May 25, 2018, this Shilin Prosecutors establishment was again renamed the "Taiwan Shihlin District Prosecutors Office," where the wording of "Court" from its organizational name was taken away, in conjunction with the amendment of the Court Organization Act.

### Section 2 Territorial Jurisdiction



Geographic Territorial Jurisdiction of the Taiwan New Taipei District Prosecutors Office

### Section 3 Office Buildings

On August 2, 1982, the construction of a 4-storey building, located in the Subsection 1, Section Sanyu, Shilin District, Taipei City (also the current address of the current Shilin Prosecutors establishment), was commenced for use by this Shilin Prosecutors establishment, including the offices for the Shilin Branch Court and the Prosecution Department. At the end of February 1984, the construction was completed. As the number of cases and working staff have increased over the years, the following improvements have been made:

- I. The second office building was added in 1990 and the construction was completed in June 1991. It is currently used by some administrative departments and offices, Prosecutor's Investigators and Probation Officers.



The front entrance of the building of the Court and the Prosecution establishments established in 1989



New Investigation Building

- II. In January 2003, the archives room was relocated to a leased office on Ruiguang Road, Neihu District, Taipei City.

- III. On December 2, 2006, the second archive library in Pinglin was introduced (where the building was previously used by Pinglin Drug Abuser Treatment Center).

- IV. In order to solve the serious shortage of the office space, with the approval by the Ministry of Justice ("MOJ"), the building previously used by Shilin Detention Center was offered to the Executive Yuan for appropriation for use as the Investigation Building for the Shilin Prosecutors establishment, which building was no longer in use due to erosion by sea sand. Due to the

tight financial situations of the government, during 2010 to 2013, the Executive Yuan had not been able to list the related budgets for this construction. With relentless coordination with multiple parties by the officials of all levels in the MOJ and Chief Prosecutor Lin, Chao-Song of the Shilin Prosecutors Office, the Executive Yuan finally listed and appropriated the budget for the office construction, which was commenced on June 17, 2014, and completed in early 2018.

## Section 4 List of Former Chief Prosecutors

Precedence in office	Title	Name	Period in office	Notes
1	Leading Prosecutor	Lu,Jen-Fa	1984/08/01~1990/02/04	The title was changed to Chief Prosecutor on December 24, 1989
2	Chief Prosecutor	Huang,Chin-Chen	1990/02/05~1993/07/21	
3	Chief Prosecutor	Wu,Kuo-Ai	1993/07/22~1996/01/30	
4	Chief Prosecutor	Lin,Hsi-Yao	1996/01/31~1999/04/29	
5	Chief Prosecutor	Yu,Chien-Ssu	1999/04/30~2000/01/31	Held ad interim from February 1, 2000 to June 26, 2000 by Deputy Head Prosecutor Shih,Ching-Tang.
6	Chief Prosecutor	Hsieh,Chien-Chiu	2000/06/27~2001/04/26	
7	Chief Prosecutor	Hsieh,Jung-Sheng	2001/04/27~2001/09/10	
Acting	Chief Prosecutor	Chen,Wen-Chi	2001/09/11~2002/04/10	
8	Chief Prosecutor	Wu,Chen-Huan	2002/04/11~2007/04/11	
9	Chief Prosecutor	Tsai,Ching-Hsiang	2007/04/12~2011/07/19	
10	Chief Prosecutor	Lin,Chao-Sung	2011/07/20~2016/07/17	
11	Chief Prosecutor	Chang,Ching-Yun	2016/07/18~2018/07/09	
12	Chief Prosecutor	Chiang,Kuei-Chang	2018/07/10~2019/01/30	
13	Chief Prosecutor	Chu,Chia-Chi	2019/01/31~2021/05/04	
14	Chief Prosecutor	Miu,Cho-Jan	2021/05/05 to present	

## Section 5 List of Former Chief Secretaries

Precedence in office	Title	Name	Period in office	Notes
1	Chief Secretary	Pai,Cheng-Hung	1984/08/01~1990/02/23	
2	Chief Secretary	Lu,Shui-Sen	1990/02/23~1995/11/14	
3	Chief Secretary	Huang,Ching-Chih	1996/03/25~1997/11/16	
4	Chief Secretary	Lu,Tung-Jung	1997/11/17~1999/06/24	
5	Chief Secretary	Kuo,He-Yao	1999/06/25~2000/02/01	
6	Chief Secretary	Chan,Chung-Chien	2000/08/31~2001/06/21	
7	Chief Secretary	Liao,Hsiu-Ching	2001/07/09~2002/06/18	The Head Prosecutor, Chen, Wen-Chi, was also designated for handling the matters, from June 19, 2002 to August 18, 2002  The Head Prosecutor, Chen, Yu-Chi, was also designated for handling the matters, from August 19, 2002 to August 31, 2003
8	Chief Secretary	Lu,Tung-Jung	2003/09/01~2007/12/16	The Head Prosecutor, Meng, Yu-Mei, was also designated for handling the matters, from December 17, 2007 to March 30, 2008
9	Chief Secretary	Hsiao,Tsung-Min	2008/03/31~2014/01/15	The Head Prosecutor, Meng, Yu-Mei, was also designated for handling the matters, from January 16, 2014 to April 30, 2014
10	Chief Secretary	Chang,Ke-Chiang	103/06/16 to present	The Clerk, Chang, Ke-Chiang, was also designated as the Section Chief, from May 1, 2014 to June 15, 2014





- IV. In 2005, a high-quality living environment in English was implemented, where numerous service signs and directional guides were marked in both Chinese and English, which were awarded the "Excellent" trophy and mark.
- V. The "One-Stop Service for Victims" first established by the Shilin Prosecutors establishment had effectively reduced the number of sexual assault cases and number of inquiries by victims of sexual assault.
- VI. In terms of improvement of service quality, in 2001, the Shilin Prosecutors establishment won the 3rd Government Service Quality Award from the Executive Yuan, which marks the first government agency to win this award among all national judicial and prosecutorial authorities.

## Section 7 Excerpts of Major Cases

### I. The puzzle of the evaporation of NTD6.3 billion of BORDA Company

In June 2004, Yeh, \*-Fei, the responsible person of Borda Company ("BORDA"), applied to the Shilin District Court for the reorganization of BORDA, stating that BORDA's existing capital was insufficient to repay the debts of the banks' blanket loans that were becoming due.

After the spread of the news, the investors were in commotion, questioning why there was no capital to clear the debts since in the financial report just released in April 2004, BORDA still showed NTD6.3 billion listed on the cash account and NTD2+ billion listed under the banks' blanket loans.

The Chief Prosecutor of the Shilin District Prosecutors Office immediately set up a special case and dedicated a Prosecutor to be responsible for the investigation. Apart from analysis of the financial account books of BORDA and access to the financial accounts of BORDA, 10 rounds of large-scale searches were initiated against BORDA and involved suppliers and related parties, and more than one hundred people were interviewed for investigation via subpoenas, as well as cross references to those contracts of derivative financial products were made based on the contracts executed between BORDA and overseas banks as provided by the then Financial Supervisory Commission ("FSC"). Gradually and finally, the puzzle of the evaporation of NTD6.3 billion was unmasked. It turned out that the listing of BORDA itself was a big scam. Starting from a small company, BORDA seamlessly engaged suppliers in circular transactions, falsifying and inflating its revenues, and finally growing itself into a public share offering and listing company. BORDA had reaped more than tens of billions in capital from the public. After the listing of BORDA, to maintain its stock price, the fraudulent tactics evolved into the setup of oversea shell companies, pretending to be the target of BORDA's fake sales. Moreover, BORDA sought after the cooperation of domestic suppliers, pretending that BORDA imported raw materials from these oversea shell companies.

Therefore, by endlessly forwarding the same batch of electronic parts in pallets between Taiwan and Hong Kong, BORDA falsified and inflated its revenues up to NTD18 billion. Through this tactic, BORDA enjoyed the profits from deceived investors. As for the NTD6.3 billion that evaporated from the world, Yeh, \*-Fei et al. got foreign bank loans, in the name of these oversea shell companies, from banks in Singapore, the Philippines, etc. through the assistance of foreign financial brokers, while using BORDA as the guarantor to guarantee these loan debts. Meanwhile, those contracts on the derivative financial products were just a camouflage to conceal these hollowing-out activities. Therefore, the NTD6.3 billion cash did not just evaporate in 2 months, but rather it was gradually hollowed out by Yeh, \*-Fei et al. over four years. To this end, only worthless restricted creditor's debts were left on the BORDA's account.

After four months of hard work, the special team of the Shilin District Prosecutors Office finally closed the investigation of this case before the expiry of the detention of Yeh, \*-Fei, and

prosecuted 31 defendants, including Yeh, \*-Fei et al., where a fixed-term imprisonment for 20 years along with a fine of NTD500 million were sought for sentencing Yeh, \*-Fei. The case was finalized by the court after five years of trials from the first to the third instances. Yeh, \*-Fei was sentenced to imprisonment for a fixed term of 14 years, and the other defendants, such as the senior management of BORDA who were involved in the case, were sentenced to imprisonment for a fixed term of 3 or 4 years.

## II. The case of Summit Computer Technology Co., Ltd.

On the afternoon of September 15, 2004, Li, \*-Kuei, the Chairman of Summit Computer Technology Co., Ltd. ("SUMMIT") went to the Taiwan Stock Exchange to give explanation on the major incident of the SUMMIT's false accounts as high as NTD3.7 billion. The Chief Prosecutor of the Shilin District Prosecutors Office immediately instructed the setup of a special case and the designated Prosecutors of the Shilin District Prosecutors Office proceeded with the investigation. In this case, one search covering two locations was conducted, 36 defendants and witnesses were interrogated, 30 court hearings were held, five meetings were held with co-organizing agencies, letters were sent to 75 agencies and financial institutions, and a total of 118 letters were sent. The investigation lasted for one year and 10 months.

In this case, based on false accounting vouchers, financial statements, audited and accredited financial statements, and other documents, the defendants defrauded financial institutions for a high amount of loans, and used the funds to speculate on the stock price of SUMMIT. The Prosecutor's Investigator of the Shilin District Prosecutors Office and the personnel of the Securities and Futures Bureau and the Taiwan Stock Exchange Corporation ("TWSE") took enormous time and effort. First, they manually entered the data into the computer, including the transaction records seized during the search (which were part of the SUMMIT's accounting books), the tax filing information retrieved from the tax authority, and the fund transactions in the related SUMMIT's financial accounts. Next, cross references were conducted among data from the tax authority and financial institutions, about the tax filing and correspondences, and about the fund transactions, so as to clarify the false incomes,



false sales, the amounts of the discount of bill of exchange, and the flow of the funds of the defendants, etc. Finally, the investigation of the case was closed.

In this case, Li, \*-Kuei et al. 10 people were prosecuted, where the primary defendant Li, \*-Kuei was prosecuted for being suspected of committing the offenses of fraudulent and business embezzlement, and violations of the Business Entity Accounting Act, the Tax Collection Act, and the Securities and Exchange Act, whereas the others for their fraudulently inflating SUMMIT's revenues, defrauding for bank loans and driving up SUMMIT's stock prices based on the inflated revenues, and conducting insider trading. For each of the defendants were sought a sentence of 10 years and seven years, respectively along with a fine of NTD20 million and 13 million, respectively. The court of first instance sentenced Li, \*-Kuei to imprisonment for a fixed term of three years and six months, Cheng, \*-Hsin to imprisonment for a fixed term of two years and four months, and the remaining defendants to imprisonment for a fixed term of four months to one year and eight months, as well as suspension of punishment ranging from two to four years. After an appeal to the Supreme Court and an order from the Supreme Court for the case to be sent back to a court of lower instance for retrial, the accused Cheng, \*-Hsin was re-sentenced to imprisonment for a fixed term of four years and four months at the first instance retrial.

### **III. The spy case linked to the Communist Party of China ("CPC") involving the retired high-ranking military officers**

National security lies in a strong national defense, and the primary task of national defense lies in the confidentiality of the national defense intelligence which is an essential key in addition to the strong armed force which is the backbone of national security. Therefore, each country in the world not only strictly maintains the confidentiality of its national defense information, but also eagerly tries to have a grasp of the defense capabilities of other countries, so that the country can prepare better and respond early. Where a country fails to take thorough confidentiality measures for the construction and potential of national defense, the country is as if it were opening its door to others, and the value and potency of the security maintenance would be pointless.

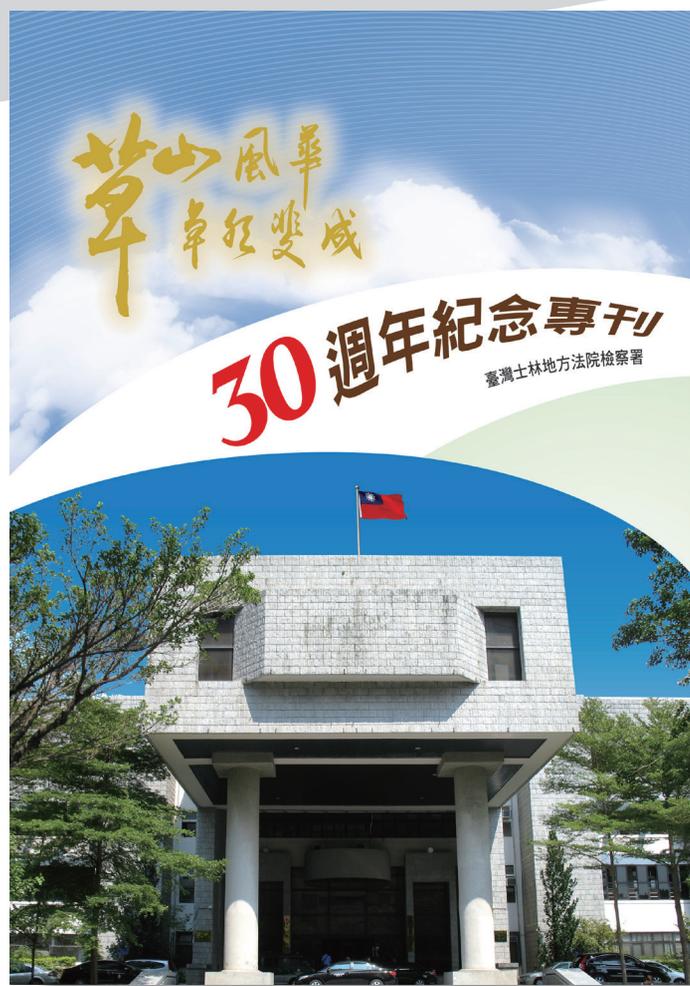
In this spy case linked to the Communist Party of China (“CPC”) involving the retired General, the suspect identified in this case marks the highest level of the retired Generals ever being involved in similar cases. The primary suspect in this case was a former Deputy Commander of the Military Police and a retired intelligence officer of the Secret Service Office of the Ministry of National Defense (“MND”). The target objects for soliciting include the former Deputy Commander of the Navy, the former Deputy Commander of the Air Force, the Deputy Minister of the Operating Command, and the gang kingpins, etc. Should this case have failed to be tracked down, our national defense intelligence network would have had major loopholes, which would have also imposed a significant impact on our national security.

After five years of monitoring by the National Security Bureau (“NSB”), and it was believed that there was no possibility of further development, the case was then transferred from the Investigation Bureau to the Shilin District Prosecutors Office for investigation. As instructed by the Chief Prosecutor for the setup of a special case, the dedicated Prosecutor then requested the Investigation Bureau to review the related five-year monitoring transcripts and discs, as well as review again the related communications and analyze the background of the primary suspect’s contacts. After interviewing the relevant parties, it was found that the two defendants were highly suspected of committing the crime. Accordingly, two rounds of searches were conducted, and the related evidence was seized showing the two defendants were developing organizations and collecting information for China. The two defendants finally put their guard down and confessed to the crime.

After the two defendants were prosecuted, they were sentenced to imprisonment for a fixed term of one year and eight months and eight years by the Taiwan Shilin District Court and the Taiwan High Court.



## Section 8 Cover page of the History of Prosecutors Office and the link of global website



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- ▲ Special Issue for the 30th Anniversary of the Taiwan Shilin District Prosecutors Office

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