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<u>A clarification to the media report today(Oct.31) regarding</u> <u>former president Ma's questioning the "recorded translation is</u> <u>out of context" and "the prosecutor violated the objective</u> <u>obligation of handling the case"</u>

- 1. According to the provisions of the Radio and Television Act (hereinafter, the Act), there is no urgercy for KMT and the party-based business to withdraw from the media business.
- (1) The Radio and Television Act imposes fine on those who were not withdrawn from the media business before the deadline.

According to Article 44 II of the Radio and Television Act, if a political party did not withdraw from the media business before December 26, 2005, Radio/television businesses shall be fined from NT\$100,000 up to NT\$1,000,000. If KMT and the party-based business violated this provision, China Television Company, Ltd or Broadcasting Corporation of China would not suffer from suspension, revocation of license or abolition of license.

(2) The government public shares are terminated after the deadline set by the Radio and Television Act.

The Divestment of Shares in Terrestrial Television Act was announced on January 18, 2006, after the exit date of December 26, 2005. China Television Company, together with TTV Cultural Enterprise Ltd. and Chinese Television System, are nationwide wireless TV station operator. China Television Company would not be revoked the permit and cancelled the radio/television station operating license even though KMT and the party-based business did not retreat from the operation before the deadline.

(3) The defendant also pointed out that the KMT may not withdraw from the media.

On the 16th meeting of the 17th KMT Central Standing on December 28, 2005, defendant Ma said: "Although there is no explicit provision in the law, even before we complete it, some people say that the media that DPP government actually controlled have not withdrawn, so it doesn't matter if we don't quit..." It is obvious that the defendant Ma did recognize that the KMT and the party-run business did not quit the media business in accordance with the provisions of the Radio and Television Act.

(4)The defendant's actions caused significant damage to companies such as Central Investment Holding

Although defendant Ma said that "based on the political commitment to the society, the mandatory provisions of the law, and the KMT's urgent need for funds", it is necessary to sell the assets. It should also be based on the duty of care and duty of loyalty of the good managers to seek the best interests of Central Investment Holding, Kuang-Hwa Investment Holding Co., the single shareholder of KMT and all its party members. The general profit-oriented company was not expected to have irregular trading without reasonable conditions and legitimacy and caused the Central Investment Holding and Kuang-Hwa

Investment Holding Co. to suffer significant damage.

(5) The relevant facts and evidence of the defendant's illegallity have been detailed in the indictment of the Taipei District Prosecutors Office, and the defendant did not mention it. It is regrettable.

Other reasons that defendant Ma used to cover up the ilegal facts are mentioned from page 22 to 25 and page 544 to page 552 in the indictment. It is regrettable that the defendant did not mention it.

- The Prosecutor's investigation is based on an objective and impartial position. It is also expected that the "all" recordings and translations related to the case will be open to the public for inspection.
- (1) The investigation of the defendant Ma's relevant cases were handled fairly in accordance with the law. We issued a press release on July 13 and 18, 2018, respectively: "We look forward to the defendant Ma's indeed to the court to apply for inspection of the whole recording discs of this case for public comment."
- (2) However, the defendant Mais still argued today that the prosecutor "deliberately intercepted the fragmentary content of the recording at the time" and "violation of the provisions of Article 2 of the Criminal Procedure Law on the objective obligations of the prosecutor to handle the case".He has never specified why he mentioned about the prosecutors' out of context? The Office hoped that defendant, Ma could return back to the "evidence" to clarify the facts, not to confuse the audience and to injure the judicial prestige.

3. The defendant made "unlawful profiteering into the private pocket of others" and committed crimes such as irregular transactions.

The press releases issued by the Office on July 13 and 18, 2018 have clarified that the indictment of defendant Ma's irregular transactions, special breach of trust, ordinary breach of trust, etc., are not based on the facts that he gained illegal profits. Subject to the interests of property and property. The proceeds of crimes committed by the defendant as property crimes and gained by other people would also make the defendant punishable. Therefore, defendant Ma advocated that he did not get any penny but it made unlawful profits go into the private pockets of others would also sustain the crime.