



Press Release

Taipei District Prosecutors Office

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In response to Mr. ex-president Ma's statement regarding the indictment over "the sale of KMT's assets"

1. The legality of our investigation over "the sale of KMT's assets" is unquestionable.

On page 514 of the indictment and on page 78 (appendix 1) of our July 10, 2018 press release, we clearly stated why we re-investigated the case of "the sale of KMT's assets" after it had been administratively closed in the form of internal written report by the Special Investigation Division on July 31, 2014. We hereby reiterate the following.

- (1)When a case is closed by a prosecutor with a non-prosecution decision in the form of an internal administrative document, the decision is not subject to Art. 260, 303(4) of The Code of Criminal Procedure.
- (2)We did not commence the investigation of this case until receipt of multiple reports from Wang_fu, Hu_hsin, Hsu_yong, Chou_jon, Lin_tong, Huang_hong, and Ill-gotten Party Assets Settlement Committee in August, 2016.
- (3)The scope of this indictment includes not only the original

scope of the case of “the sale of KMT’s assets”, but also “the sale of KMT’s former headquarters” We have collected new evidence regarding the three defendants’ involvement in the crime after searching and retrieving documents from relevant companies, KMT, and offices. Therefore, our decision to prosecute this case is not bound by the former SID’s decision (made in the form of an internal administrative document).

2. We have never applied “The Act Governing the Settlement of Ill-gotten Properties by Political Parties and Their Affiliate Organizations” in this indictment.

In our July 12, 2018 press release (appendix 2), we clarified that in the indictment, the defendants were prosecuted for Art. 171(2), (3) of Securities and Exchange Act, and Art. 342 of Criminal Code of the Republic of China. On the contrary, “The Act Governing the Settlement of Ill-gotten Properties by Political Parties and Their Affiliate Organizations” was never referred to in the indictment. We also stated that the statement “Multiple real estates obtained by Central Motion Picture Co., Broadcasting Corporation of China, and KMT exist disputes of ill-gotten properties by political parties” depicted in the indictment was based on solid proof.

3. The crimes, such as anormal trading, for which the defendants were prosecuted, do not require an offender’s reception of financial benefits.

The defendants in this case were prosecuted for offenses of anormal transaction, general breach of trust and special breach of trust, none of which requires defendant’s reception of financial benefits to constitute a crime. Despite the defendants proclamations of not receiving any benefits from

the transactions, the actions of the defendants constituted crimes by producing unlawful exorbitant profits for the buyers.

4. Central Investment Holding Corporation had indeed prepared 60 million NT dollars for litigations.

In page 33 and 35 of our press release on July 10, 2018, we have clearly stated, that it was “Central Investment Holding Corporation” that had issued the litigation aid document and preallocated the litigation aid fund. The earliest approved litigation aid fund was on April 19, 2006 (see page 133-135 in the indictment) when Mr. Ma was the Chairman of KMT. Therefore, it was absolutely misleading when Mr. Ma alleged in his statement that we asserted that “he” prepared 60 million NT dollars, or that the preallocation did not happen during his term as KMT’s chairman.

5. We anticipate that all of the relevant recordings and their translations can lawfully go public in the trial procedure in a timely fashion and allow the public to review.

The recordings and their translations seized by this office have involved third parties’ legal rights. Hence, we only disclosed the part relevant to this case. Moreover, we have played the recordings relevant to Mr. Ma and showed their translations accordingly in Ma’s investigation sessions on November 29, 2017, April 25, 2018 and April 27, 2018, respectively. Mr. Ma and his defense attorney did not cast any doubts on the authenticity of any of the recordings. Apparently, we did not quote out of context. If Mr. Ma wishes to disclose all of the recordings to the public, he should rightfully apply to the court for an open inspection.

6. We considered Mr. Ma as having poor attitude because he had been quibbling and passing the buck to shy away from his

criminal liabilities during the investigation sessions.

In page 77 of our press release on July 10, 2018, we held that Mr. Ma was with poor attitude because he had been quibbling and passing the buck during the investigation sessions. In our indictment, we have never mentioned anything about his exercise of the right to remain silent. Therefore, in his statement, Mr. Ma accused the prosecutors of blaming him for exercising his lawful right to remain silent. It was totally contrary to fact, and with intent to confuse the public.