



# Taichung District Prosecutors Office

## Press Release

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### Timely Justice

#### Chinese victim testified and recovered crime loss over NTD 10 million via Taiwan mediation system

Prosecutors from the Taichung District Prosecutors Office (TDPO) completed the investigation of a cross-border telecom fraud case on October 7, 2019. 22 defendants were charged for fraud and organized crimes. During investigation, a female victim from Mainland China came to Taiwan and testified for the case. A mediation procedure also took place, where the defendant agreed to pay NTD 10.4 million as restitution to the victim.

Prosecutor Sheng-chuan Chang(張聖傳), assisted by prosecutor Amber Hsieh(謝珮汝) and Gina Hou(侯詠琪) established an investigation task force consisted of the Ministry of Justice Investigation Bureau (MJIB) Taichung City Field Division, MJIB Economic Crime Prevention Division, MJIB International Operations Division and the Taichung City Government Police Department. For this case, the TDPO initiated a Taiwan-U.S. mutual legal assistance (MLA) via the Ministry of Justice to propose a collaboration request to the U.S. Department of Justice. Through the well-functioning MLA channel between Taiwan and the U.S., the task force successfully carried out a raid on the base of the fraud organization in Los Angeles. On June 16 and July 21, 2019, the 19 Taiwanese gang members in Los Angeles were deported to Taiwan; moreover, the task force simultaneously conducted searches in Taiwan and the task force seized NTD 9 million, 3 luxury cars of brands Ferrari, Maserati, and BMW,

owned by the head suspects (still at large). After the interrogation, the court ruled to detain 19 the arrested 22 gang members.

In order to refine the investigation and prepare for the prosecution in Taiwan, , the U.S. Department of Justice authorized the U.S. Immigration and Customs Enforcement (ICE) to provide the evidence such as cellphones, laptops and documents in the custody of the U.S. law enforcement agencies, that also marked a key milestone of the Taiwan-U.S. cooperation in combating cross-border organized crime.

The evidence shows that since 2017, the gang had been wandering among Hungary, Ireland, Costa Rica, Chile, Northern Cyprus and the U.S. to set up call centers, targeting overseas Chinese to defraud. The gang members who worked in the call centers could be classified into three types as the “1st line”, the “2nd line” and the “3rd line”. They called victims and respectively impersonated insurer, officials of the Ministry of Public Security or Prosecutors Office of mainland China. They told the victims that the victims had been involved into sever criminal case and needed to provide fund for investigation. If the victims had been hooked, the gang would ask victims to log in their online bank accounts and to transfer the money from the victims’ accounts to other accounts under the gang’s control. Consequently, the gang’s crime income amounts to NTD 90 million.

Based on the analysis of the joint offenders’ mobile phones and other relevant evidence, TDPO acquired the victim Mrs. Han’s identity, and then launched the Cross-Strait Joint Crime-Fighting and Judicial Mutual Assistance process. Through the contact between Department of International and Cross-Strait Legal Affairs of the Ministry of Justice, MJIB, and the designated authorities of mainland China, TDPO successfully assisted the victim Han in the procedures of returning the proceeds of crime and related investigation in Taiwan. After obtaining the consent of the detained defendant Ke, TDPO released the seizure of his NTD 9 million deposit, and refer the defendant and victim to Taiwan Taichung District Court for mediation. Along with the other 3 defendants Wu, Lin and Guo, the defendants and the victim eventually reached an agreement, which states that the defendants should return the proceeds of

crime, which is about NTD 10,400,000 (the victim's loss is about 3,619,684 RMB), to the victim Mrs. Han. This is the first time TDPO accomplished the procedure of returning the proceeds of crime during the investigation through the Cross-Strait Joint Crime-Fighting and Judicial Mutual Assistance Agreement, after the Agreement has been brought into action. In order to express her thankfulness for the task force that recovered his whole life savings, Han came to Taiwan Taichung District Prosecutors Office personally to present a Thank You Letter.

Practicing justice timely, effectively without frontier is TDPO's core value. Taiwan's transnational fraud gangs commit crime worldwide, causing huge damage to our nation's reputation. To solve this problem, TDPO propose the court to give harsh sentence along with compulsory labor to these criminals on one hand, and dedicate to encourage the criminals to compensate for the victims' loss immediately on the other hand, therefore, then ask the court to consider the defendant's attitude of compensating for the victims' loss as a mitigating factor in sentencing. We initiate the system of returning the proceeds of crime through mediation during investigation or trial, using such mediation system to help victims retrieve their property loss through the cooperation between domestic and foreign joint crime-fighting agencies, judicial mutual assistance agencies and mediation institutions. Besides Taiwanese victims, there are also other successful examples of Japanese and Canadian victims coming to Taiwan to retrieve their loss. This case once again showing the determination and ability of prosecutors to fight for transnational justice.

TDPO would like to once again remind that, participating in telecom fraud overseas will not only commit the fraud crime of Criminal Code, but also violate the Organized Crime Prevention Act, which the offenders could be sentenced to perform compulsory labor for three years. Harsh punishment will surely be imposed, so do not risk any chances.