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SID seeking recovery of Chen Shui-bian's Swiss deposits

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The Special Investigation Division (SID) continues its efforts to recover funds allegedly deposited illegally overseas by former President Chen Shui-bian during his presidency. The agency has already arranged with the [US](#) Justice Department to auction off two residences held by Chen 's son Chen Chih-chung in the [US](#). and now it is in contact with the Swiss Federal Prosecutor's Office sea to recover funds deposited by Chen Chih-chung with the Avallo Company in Switzerland totaling more than [US](#)\$12.6 million (NT\$380 million) in supposed illegal funds that have been frozen by Swiss authorities.

SID says that the funds used by Chen Chih-chung to buy the two properties in the [US](#) came from an account for Avallo which was set up with the private bank Wegelin and Co. in Switzerland.

In December 2006 Yeh Sheng-mao, former chief of the Ministry of Justice's Investigation Bureau (MJIB), transferred laundered funds to the Chen family in a program dubbed "Cape 700 million" after the popular movie "Cape No. 7" of the time. Chen Chih-chung first remitted [US](#)\$21 million to Switzerland to a hidden account, and after the funds were frozen they were returned with Chen Chih-chung's consent to a bank account at the Taiwan High Prosecutors Office by Swiss authorities..

In 2008 SID discovered another NT\$800 million in cash deposited with Cathay United Bank Insurance, of which about NT\$540 million had been laundered to the Avallo Company account at Wegelin and Co. Bank. SID then asked the Swiss government to freeze the funds.

Last year the Supreme Court found Chen Shui-bian and his wife Wu Shu-chen guilty of two counts of bribery and embezzlement, imposing a fine of NT\$180 million based on the charges. They were also sent back back to the High Court for a new trial on the charge of accepting NT\$300 million in illegal funds from Cathay Financial.

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