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UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

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Attorneys for the United States

UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

UNITED STATES OF AMERICA,
Plaintiff,
v.
JESSE MICHAEL EBERSOLE,
Defendant.

Case No. CP 18 - 00094 JMS

INFORMATION

Title 18, U.S.C., Section 371-
CONSPIRACY (Felony)

The United States charges, at all times material:

INTRODUCTORY ALLEGATIONS

1. Defendant JESSE MICHAEL EBERSOLE (EBERSOLE) was a resident of Hawaii. In 2009, EBERSOLE became part of a fellowship program known as Pacific Century Fellows.

2. Katherine P. Kealoha (“Kealoha”) (charged elsewhere) was an attorney licensed to practice in the State of Hawaii. From 1993 to 2001, Kealoha worked in the Department of the Prosecuting Attorney (“DPA”) for the City and County of Honolulu, first as an intern, and later as a Deputy Prosecuting Attorney. From 2001 to 2006, Kealoha was a solo practitioner in Honolulu working on criminal defense, personal injury, and family law cases. In 2006, Kealoha returned to work as a Deputy Prosecuting Attorney for the DPA, until 2008, when she was appointed the Director of the Office of Environmental and Quality Control for the State of Hawaii. In 2009, Kealoha became part of the Pacific Century Fellows program with EBERSOLE. In 2010, Kealoha returned to the DPA as a Deputy Prosecuting Attorney.

Financial Accounts of the Kealohas

3. Between 2004 and 2017, Kealoha and her husband opened and controlled over thirty separate bank accounts at various financial institutions located in the State of Hawaii. Among the banks and credit unions used by the Kealohas to hold and move money were American Savings Bank (“ASB”), Bank of Hawaii (“BOH”), and Hawaii Central Federal Credit Union (“HCFCU”).

Misappropriating Loan Proceeds from F.P.

4. In or about 2009, Kealoha’s grandmother (“F.P.”) asked Kealoha about ways to purchase a condominium for her son, G.K.P. F.P. wanted to help G.K.P. with such a purchase because he had cared for F.P. for many years, and G.K.P. did

not have sufficient credit to purchase such a property. In response, Kealoha recommended a five-step process: first, F.P. would secure a “reverse mortgage” loan on her personal residence; second, F.P. would use a portion of the loan proceeds to purchase the condominium and pay expenses for the transaction; third, F.P. would use a portion of the proceeds to help the Kealohas “consolidate” their bills, thereby allowing them to improve their credit; fourth, the Kealohas would use their newly-improved credit to purchase the condominium from F.P.; and fifth, the Kealohas would sell the condominium to G.K.P. by “taking back” a mortgage so G.K.P. would make mortgage payments to them instead of to a bank. Based on Kealoha’s representations, F.P. agreed to the plan and allowed Kealoha to negotiate with a lender so that F.P. could withdraw equity in her house through a reverse mortgage.

5. In or about October 2009, Kealoha caused a reverse mortgage to be executed on F.P.’s property, and caused F.P. to borrow approximately \$513,474 in net loan proceeds from MetLife Home Loans to be deposited into a BOH bank account held jointly by Kealoha and F.P. (“BOH x1502”). A portion of these funds was used to purchase the condominium for G.K.P., and the remainder (approximately \$128,236) was to be used to “consolidate” the Kealohas’ debts and pay the expenses of F.P.

6. Between October 2009 and April 2010, Kealoha did not use the BOH x1502 account to pay many of the expenses of F.P.; she instead withdrew and

transferred funds from BOH x1502 to pay the Kealohas' personal expenses and to purchase items for and enrich EBERSOLE, including:

- a. A \$310.21 payment to Hawaiian Airlines for EBERSOLE's travel from Hilo, Hawaii, to Honolulu, Hawaii, on November 18, 2009; and
- b. A \$1,387.12 cashier's check payable to EBERSOLE, dated November 23, 2009.

Expenditures of Illegally Obtained Loan Proceeds

7. Between June 2012 and July 2012, the Kealohas applied to HCFCU for a second mortgage on their then personal residence in the amount of \$150,000, and falsely certified that the information provided in support of their application was true and correct. In support of this loan application, Kealoha submitted a forged "Hawaii Residential Lease Agreement" to HCFCU to give the false impression that the Kealohas received rental income every month, and later falsely certified that the Kealohas received over \$2,700 per month in rental income, when in fact no such lease agreement existed and no rent or lease payments had been paid to them.

8. Based in part on these false statements, HCFCU funded this second mortgage. Some of these loan proceeds were then deposited into a checking account held jointly by the Kealohas ("HCFCU x207").

9. Between August 2012 and March 2013, Kealoha used the fraudulently obtained loan proceeds in HCFCU x207 account to pay for travel related expenses for EBERSOLE, including:

- a. On August 14, 2012, a \$295.00 payment to Hawaiian Airlines for EBERSOLE's travel from Hilo, Hawaii, to Honolulu, Hawaii.
- b. On November 23, 2012, a \$138.00 payment to Hawaiian Airlines for EBERSOLE's travel from Hilo, Hawaii to Honolulu, Hawaii.
- c. On November 23, 2012, a \$153.85 payment to a Honolulu, Hawaii, hotel for EBERSOLE.
- d. On November 30, 2012, a \$173.30 payment to a Honolulu, Hawaii, hotel for EBERSOLE.

10. During the time they maintained an intimate personal relationship, Kealoha provided these and many other financial benefits to EBERSOLE, totaling more than \$20,000.

The Investigation

11. Between November 19, 2015, and October 19, 2017, a Federal grand jury of the United States District Court for the District of Hawaii ("USDC-Hawaii") was conducting an investigation to determine whether violations of federal law had been committed in connection with the investigation, prosecution, and aftermath of a federal case in which Kealoha was a purported victim. It was material to the grand

jury's investigation to determine how Kealoha had used the funds misappropriated from F.P. and fraudulently obtained from HCFCU.

12. The Federal Bureau of Investigation ("FBI") was a federal law enforcement agency and arm of the executive branch of the United States designated to investigate alleged violations of federal criminal law dealing with deprivation of civil rights and obstruction of justice. In or about December 2014, the FBI began an investigation into potential violations of federal law by Kealoha and others.

COUNT 1

Conspiracy – 18 U.S.C. § 371

13. The United States Attorney realleges and incorporates by reference Introductory Allegations 1 through 12 of this Information.

14. Beginning on a date unknown, but no later than April 2017, and continuing through October 2017, within the District of Hawaii and elsewhere, defendant JESSE MICHAEL EBERSOLE and co-conspirator Katherine P. Kealoha (charged elsewhere), did knowingly and voluntarily agree with each other, and with others, to corruptly obstruct, influence, and impede an official proceeding, in violation of Title 18, United States Code, Section 1512(c).

Manner and Means of the Conspiracy

15. It was part of the conspiracy that Kealoha would endeavor to obstruct the investigation by the FBI and the Federal grand jury in USDC-Hawaii into her

illegal activities, including her misappropriation of funds from F.P.'s reverse mortgage and her disbursement of HCFCU loan proceeds.

16. It was further part of the conspiracy that when EBERSOLE was called to testify before the Federal grand jury in USDC-Hawaii, Kealoha would counsel EBERSOLE to lie to the grand jury about their true relationship.

17. It was further part of the conspiracy that Kealoha would arrange to meet with EBERSOLE prior to his testimony before the grand jury, and would coach EBERSOLE on how to falsely respond to questions posed to him in the grand jury.

18. It was further part of the conspiracy that after EBERSOLE falsely testified before the grand jury, Kealoha would communicate with EBERSOLE and discuss his false and misleading testimony.

19. It was further part of the conspiracy that after a motion to compel EBERSOLE to again testify before the grand jury was filed in USDC-Hawaii, Kealoha would arrange for an attorney to represent EBERSOLE in an effort to delay and impede his truthful testimony before the Federal grand jury.

OVERT ACTS

20. In furtherance of said conspiracy, and to affect the objects thereof, the following overt acts, among others, were committed within the District of Hawaii.

- a. On or about April 13, 2017, in Honolulu, Hawaii, after the FBI served EBERSOLE with a subpoena to appear before the Federal grand jury, EBERSOLE contacted Kealoha by phone.

- b. On or before April 20, 2017, Kealoha told EBERSOLE not to disclose to the Federal grand jury the true nature of their intimate relationship or the financial benefits Kealoha provided to him.
- c. On April 20, 2017, EBERSOLE appeared before the Federal grand jury in Honolulu, Hawaii, and testified falsely about several aspects of his relationship with Kealoha, including falsely claiming that he and Kealoha were just “friends” and that he had “no idea” why his name would appear on Kealoha’s credit card statements.
- d. On or about April 20, 2017, immediately following his grand jury appearance, EBERSOLE discussed with Kealoha his false and misleading testimony before the grand jury.
- e. On or before May 18, 2017, Kealoha met EBERSOLE before he appeared before the Federal grand jury a second time.
- f. On or about May 18, 2017, EBERSOLE appeared before the Federal grand jury and refused to produce documents and answer questions.
- g. In or about August 2017, Kealoha arranged for Attorney 3 to represent EBERSOLE in connection with a proceeding in USDC-Hawaii to compel EBERSOLE to produce documents to, and testify before, the Federal grand jury.

h. After September 7, 2017, but before October 3, 2017, after reviewing a transcript of his April 2017 appearance before the grand jury, EBERSOLE provided Kealoha with details of his prior false testimony.

i. On or about October 4, 2017, Kealoha met alone with EBERSOLE at Attorney 3's residence/office, where they discussed Kealoha's desire that EBERSOLE continue to deceive the Federal grand jury about the true nature of their relationship.

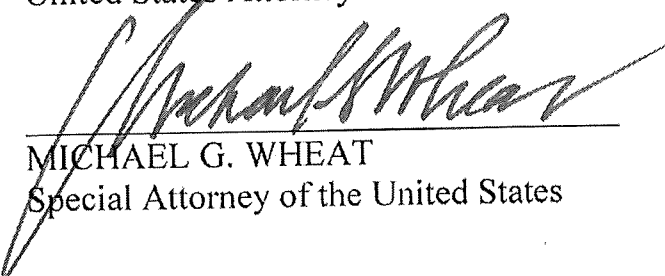
j. On or about October 5, 2017, EBERSOLE falsely claimed before the Federal grand jury that he and Kealoha were just "friends," that they did not have a "romantic" relationship, and that he was "baffled" as to why airline tickets in his name would appear on Kealoha's credit card statement.

All in violation of Title 18, United States Code, Section 371.

DATED: July 9, 2018.

JEFFERSON B. SESSIONS III
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