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District of Hawaii

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

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Chief, Special Crime Section

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UNITED STATES OF AMERICA

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

CR12-01204 LEK

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
vs.)
)
ERIC FORD, (01))
MARLO BANASAN, (02))
MATTHEW PHILLIPS, (03))
KENDALE LIMAHAI, (04))
ROBERT BLAND, (05))
JONAH YARDLEY, (06))
TREVOR CARTER, and (07))
BARBARA FORD, (08))
)
Defendants.)
)
_____)

CR. NO.)
INDICTMENT)
Count 1: 18 U.S.C. § 371)
Count 2: 18 U.S.C. § 1955)
Counts 3-27: 31 U.S.C. §)
5324 (a) (3))

INDICTMENT

COUNT 1
(18 U.S.C. § 371)

The Grand Jury charges that:

From a precise earlier date unknown to the Grand Jury, but by November 2009, and continuing through on or about November 20, 2012, in the District of Hawaii and elsewhere, Defendants ERIC FORD, MARLO BANASAN, MATTHEW PHILLIPS, KENDALE LIMAHAI, ROBERT BLAND, JONAH YARDLEY, and TREVOR CARTER, knowingly and willfully conspired and agreed with each other and with other persons known and unknown to the Grand Jury, to commit offenses against the United States, namely, to conduct, finance, manage, supervise, direct, and own an illegal gambling business, in violation of Title 18, United States Code, Section 1955.

Manner and Means of the Conspiracy

1. It was part of the conspiracy that from a precise earlier date unknown to the Grand Jury, but by November 2009, and continuing through on or about November 20, 2012, Defendant ERIC FORD operated a sports betting operation and held various gambling events, to include poker games and craps games. The gambling events and sports bets were in violation of the laws of the State of Hawaii. Throughout the entire conspiracy, FORD operated his illegal gambling business out of Aloha Spring Water Company, a business located at 73-5574 Olowalu Street, Bay 10, Kailua-Kona, Hawaii.

2. It was a further part of the conspiracy that Defendant ERIC FORD entered into arrangements with Defendants MARLO BANASAN, MATTHEW PHILLIPS, KENDALE LIMAHAI, ROBERT BLAND, JONAH YARDLEY, and TREVOR CARTER, in which those Defendants would assist ERIC FORD in the taking of bets, the collection of gambling debts, and the payment of gambling winnings.

3. It was a further part of the conspiracy that Defendant ERIC FORD and others utilized an offshore gaming website--www.wager.dm--to facilitate the placing of sports bets.

4. It was a further part of the conspiracy that during the period aforesaid, ERIC FORD's illegal gambling business was in continuous operation for more than 30 days and had a gross revenue in excess of \$2,000 or more in a single day.

OVERT ACTS

In furtherance of the conspiracy, and to accomplish the objectives of the conspiracy, the Defendants committed various overt acts in the District of Hawaii and elsewhere, including the following:

1. On or about November 9, 2009, KENDALE LIMAHAI assisted in operating a poker game at the Aloha Springs Water Company.
2. On or about November 1, 2010, KENDALE LIMAHAI distributed a parlay sheet to a person known to the Grand Jury.

3. On or about August 25, 2011, at the direction of ERIC FORD, a person known to the Grand Jury counted three million dollars.

4. On or about November 2, 2011, KENDALE LIMAHAI delivered \$11,100 in gambling winnings to R.M.

5. On or about November 27, 2011, a person known to the Grand Jury placed a sports bet with KENDALE LIMAHAI.

6. On or about December 12, 2011, a person known to the Grand Jury placed a sports bet with KENDALE LIMAHAI.

7. On or about February 2, 2012, a person known to the Grand Jury placed a sports bet with MARLO BANASAN.

8. On or about March 22, 2012, a person known to the Grand Jury placed a sports bet with MARLO BANASAN.

9. On or about April 24, 2012, P.M. placed a sports bet with MARLO BANASAN.

10. On or about May 24, 2012, a person unknown to the Grand Jury placed a sports bet with JONAH YARDLEY.

11. On or about May 25, 2012, G.C. placed a sports bet with ERIC FORD.

12. On or about May 26, 2012, ERIC FORD attended a meeting with R.P., during which R.P. demonstrated to ERIC FORD new gambling features available at www.wager.dm

13. On or about May 29, 2012, at the direction of ERIC FORD, TREVOR CARTER collected gambling winnings from a person unknown to the Grand Jury.

14. On or about June 9, 2012, a person unknown to the Grand Jury placed a sports bet with ROBERT BLAND.

15. On or about June 9, 2012, MARLO BANASAN, at the direction of ERIC FORD, hosted a craps game at his residence in Waimea, Hawaii.

16. On or about September 5, 2012, a person known to the Grand Jury placed a sports bet with MATTHEW PHILLIPS.

17. On or about November 7, 2012, a person known to the Grand Jury paid a gambling debt to MATTHEW PHILLIPS.

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

COUNT 2
(18 U.S.C. § 1955)

The Grand Jury further charges that:

From a precise earlier date unknown to the Grand Jury, but by November 2009, and continuing through on or about November 20, 2012, in the District of Hawaii and elsewhere, Defendants ERIC FORD, MARLO BANASAN, MATTHEW PHILLIPS, KENDALE LIMAHAI, ROBERT BLAND, JONAH YARDLEY, TREVOR CARTER, and others known and unknown to the Grand Jury, did conduct, finance, manage, supervise, direct, and own all or part of an illegal gambling business, to wit a gambling business involving sports betting, craps games, and poker games, which gambling business was in violation of

Hawaii Revised Statutes, Sections 712-1221 and 712-1222, and which involved five or more persons who conducted, financed, managed, supervised, directed, and owned all or a part of said illegal gambling business, and which remained in substantially continuous operation for a period in excess of thirty days and had a gross revenue of \$2,000 in any single day.

All in violation of Title 18, United States Code, Section 1955, and Title 18, United States Code, Section 2.

COUNTS 3-27
(31 U.S.C. § 5324(a)(3))

The Grand Jury further charges that:

On or about the dates set forth below, in the District of Hawaii, Defendants ERIC FORD and BARBARA FORD, as listed below in Counts 3 through 27, did knowingly and for the purpose of evading the reporting requirements of Title 31, United States Code, Section 5325, and the regulations promulgated thereunder, structure, and assist in structuring, the following transactions with domestic financial institutions:

| <u>Counts</u> | <u>Date</u> | <u>Location Money Orders Purchased in Kailua-Kona</u> | <u>Total Amount of Money Orders</u> |
|---------------|-------------|---|-------------------------------------|
| 3 | May 2, 2009 | U.S.P.S. | \$2,850 |
| | | Western Union | \$2,000 |
| | | Walmart | \$1,000 |

| <u>Counts</u> | <u>Date</u> | <u>Location Money Orders Purchased in Kailua- Kona</u> | <u>Total Amount of Money Orders</u> |
|---------------|---------------------|--|---|
| 4 | June 7, 2009 | Safeway | \$1,800 |
| | | Western Union | \$2,400 |
| 5 | July 5, 2009 | Walmart | \$2,500 |
| | | Western Union | \$2,500 |
| | | Safeway | \$2,000 |
| 6 | October 11, 2009 | Safeway | \$2,743.73 |
| | | Western Union | \$609.48 |
| | | Walmart | \$2,977.36 |
| 7 | November 7, 2009 | U.S.P.S. | \$1,743.73 |
| | | Western Union | \$609.48 |
| | | Walmart | \$2,425.54 |
| 8 | December 5, 2009 | U.S.P.S. | \$2,743.73 |
| | | Western Union | \$2,550 |
| 9 | March 7, 2010 | Safeway | \$2,750 |
| | | Western Union | \$2,600 |
| | | Walmart | \$2,900 |
| 10 | March 31, 2010 | Safeway | \$2,500 |
| | | Walmart | \$2,500 |
| 11 | April 11, 2010 | Safeway | \$2,700 |
| | | Western Union | \$2,500 |
| | | Walmart | \$2,800 |
| 12 | June 14, 2010 | Safeway | \$2,500 |
| | | Western Union | \$2,540 |

| <u>Counts</u> | <u>Date</u> | <u>Location Money Orders Purchased in Kailua- Kona</u> | <u>Total Amount of Money Orders</u> |
|---------------|----------------------|--|---|
| 13 | August 8, 2010 | Safeway | \$2,402.90 |
| | | Walmart | \$2,609.48 |
| 14 | September 9, 2010 | Safeway | \$1,450 |
| | | U.S.P.S. | \$2,000 |
| | | Western Union | \$2,750 |
| | | Walmart | \$1,650 |
| 15 | October 11, 2010 | Safeway | \$2,500 |
| | | Western Union | \$2,843.73 |
| | | Walmart | \$2,609.48 |
| 16 | November 5, 2010 | Safeway | \$2,500 |
| | | Walmart | \$1,500 |
| 17 | November 7, 2010 | Safeway | \$2,667.77 |
| | | Walmart | \$2,535.02 |
| 18 | December 7, 2010 | Safeway | \$2,500 |
| | | Walmart | \$900 |
| 19 | March 29, 2011 | Safeway | \$2,500 |
| | | Walmart | \$2,800 |
| 20 | April 11, 2011 | Safeway | \$2,500 |
| | | U.S.P.S. | \$2,535.02 |
| | | Walmart | \$2,743.73 |
| 21 | May 9, 2011 | Safeway | \$2,300 |
| | | Walmart | \$2,800 |

| <u>Counts</u> | <u>Date</u> | <u>Location Money Orders Purchased in Kailua- Kona</u> | <u>Total Amount of Money Orders</u> |
|---------------|---------------------|--|---|
| 22 | June 2, 2011 | Safeway | \$2,500 |
| | | U.S.P.S. | \$2,850 |
| | | Walmart | \$2,800 |
| 23 | June 3, 2011 | U.S.P.S. | \$2,100 |
| | | Walmart | \$2,700 |
| 24 | June 29, 2011 | Safeway | \$2,700 |
| | | U.S.P.S. | \$2,800 |
| 25 | February 9, 2012 | Safeway | \$2,700 |
| | | U.S.P.S. | \$2,800 |
| | | Walmart | \$2,500 |
| 26 | May 7, 2012 | Safeway | \$2,477.36 |
| | | U.S.P.S. | \$2,743.73 |
| | | Walmart | \$2,900 |
| 27 | June 7, 2012 | Safeway | \$2,500 |
| | | Walmart | \$2,900 |

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All in violation of Title 31, United States Code, Sections 5324(a)(3), 5324(d), and 5325; Title 31, Code of Federal Regulations, Part 103; and Title 18, United States Code, Section 2.

DATED: November 20, 2012, at Honolulu, Hawaii.

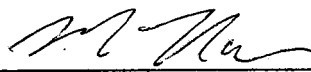
A TRUE BILL

/s/ Foreperson
FOREPERSON, GRAND JURY

FLORENCE T. NAKAKUNI
United States Attorney
District of Hawaii



THOMAS J. BRADY
Chief, Special Crime Section



MICHAEL NAMMAR
Assistant U.S. Attorney

United States v. Eric L. Ford, et al.
"Indictment"
Cr. No.