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United States Attorney
District of Hawaii

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Attorneys for Plaintiff
UNITED STATES OF AMERICA

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA,	)	CR. NO. 21-00061 JAO
	)	
Plaintiff,	)	GOVERNMENT’S RESPONSE TO
	)	MOTION TO MODIFY
vs.	)	CONDITION OF RELEASE;
	)	CERTIFICATE OF SERVICE
MARTIN KAO,	)	
	)	
Defendant.	)	
_____	)	

GOVERNMENT’S OPPOSITION TO
MOTION TO MODIFY CONDITION OF RELEASE

The United States hereby opposes defendant’s Motion to Modify Condition of Release (ECF No. 111). Defendant continues to represent a serious risk of

flight, which is best mitigated by the current requirement in Condition 7p5 that he wear a GPS unit for 24-hour monitoring.

As articulated to the Court at the detention hearing in October 2020, the government's primary concern is that defendant has the means and motive to flee the United States. According to a February 18, 2022 Pretrial Services report (at page 5), defendant reported that he owns farmland in his birth country of Taiwan—he is a naturalized United States citizen—and sold a portion of that land in April 2021, resulting in proceeds of \$800,000 that await him in Taiwan. He valued the remainder of the land in Taiwan at \$200,000 to \$300,000. Although the government is aware that defendant has expended significant sums on legal fees in this matter and in state civil litigation and arbitration proceedings related to his former business, Martin Defense Group, the government remains concerned that defendant has not fully disclosed the assets available to him, including assets in the United States and abroad in the names of his spouse, parents, and several foundations he or his spouse formed. That suspicion is heightened by defendant's refusal to provide, in response to a request by the United States Probation Office, a standard Net Worth Statement and Monthly Cash Flow Statement, and copies of his federal income tax returns for the last three calendar years, which suggests that defendant is concealing his assets from the Court and the government.

In addition to apparently having the means to flee and approximately \$800,000 waiting for him in Taiwan, defendant has a strong motive to flee given that he pled guilty to all wire fraud and money laundering counts in the Indictment and is facing a guideline sentence of 87 to 108 months according to the PSR filed in this matter on July 10, 2023. Further, defendant is pending sentencing in the District of Columbia for criminal campaign contribution violations, and defendant is pending trial in this District on a bank fraud charge arising out of a \$3 million loan defendant used to purchase a \$4.5 million house in Kahala in 2020. Trial in that matter is scheduled for March 25, 2024.

Defendant's proposed modification of his conditions of release would make flight easier at a time when defendant's motive to flee has increased. Consequently, defendant's motion should be denied.

DATED: September 5, 2023, at Honolulu, Hawaii.

Respectfully submitted,

CLARE E. CONNORS
United States Attorney
District of Hawaii

By /s/ Craig S. Nolan
CRAIG S. NOLAN
Assistant U.S. Attorney

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the attached was duly served upon the following person as set forth below:

Served Electronically by CM/ECF and Email:

VICTOR J. BAKKE (vbakke@bakkelawfirm.com)
Attorney for Defendant MARTIN KAO

DATED: September 5, 2023, at Honolulu, Hawaii.

/s/ Craig S. Nolan
CRAIG S. NOLAN
Assistant U.S. Attorney