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TIFFANY JENNIFER LAM

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA, Plaintiff, vs. MARTIN KAO, Defendant.	Case No: 1:21-cr-00061-LEK DECLARATION OF MARTIN KAO HEARING: Date: February 13, 2025 Time: 3:00 PM Judge: Hon. Kenneth J. Mansfield

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA, Plaintiff, vs. MARTIN KAO, Defendant.	)	Case No: 1:21-cr-00061-LEK DECLARATION OF MARTIN KAO

DECLARATION OF MARTIN KAO

I, MARTIN KAO, hereby declare that:

1. All statements in this declaration are within my personal knowledge, unless stated upon information and belief.

2. I am married to Tiffany Jennifer Lam ("Tiffany").

3. Tiffany and I have been married since February 7, 2007.

4. Tiffany and I have two children aged 10 and 11.

5. At the time of our marriage, I was 34 years of age and Tiffany was 31 years of age.

6. Neither Tiffany nor I had any substantial liquid assets at the time we were married in 2007.

7. Our primary asset was real property located in Manoa ("Manoa Property") that Tiffany inherited from her grandfather after we were married; the Manoa property had no mortgage or other attached liability.

8. The Manoa Property is a marital asset which Tiffany and I now jointly own.

9. After Tiffany and I married, she gave up her career as a certified public accountant and did not work. Her role in our marriage was to be the primary homemaker, wife, and mother. I was the principal income earner.

10. At the time we married, Tiffany and I agreed that all our financial assets, including the Manoa Property and all our joint and individual bank and financial accounts (collectively "Accounts"), were joint marital assets to be considered part of our marital estate ("Marital Agreement").

11. All the funds in any of our Accounts that were accumulated during our marriage I considered to be joint marital property.

12. Over the course of our marriage, I deposited income and other monies into our Accounts which were used to pay family living expenses and accumulate marital savings.

13. Since we have been married, Tiffany and I have always filed joint Federal and State tax returns.

14. I was arrested in this matter on September 30, 2020

15. At the time of my arrest, one of the Accounts was with Merrill Lynch, Account No. **-*2641 ("Merrill Lynch Account"), which had a balance of approximately $5,000,000.00.

16. On or about October 1, 2020, the United States seized $2,000,000.00 ("Seized Funds") from the Merrill Lynch Account in connection with this case.

17. After my arrest, my bail in this case was set in the amount of $2,000,000.00 ("Martin's Bail").

18. Tiffany withdrew funds from the Merrill Lynch Account in the amount of $2,000,000.00 in the form of a cashier's check to pay for my Bail.

19. As of the date that Merrill Lynch issued the cashier's check for my Bail, at the instruction and request of Tiffany, and after removal of the Seized Funds, the Merrill Lynch Account had an approximate balance of $3,000,000.00.

20. The monies in the Merrill Lynch Account were joint marital assets subject to the Marital Agreement.

21. On the morning of October 7, 2020, Tiffany went to the offices of Merrill Lynch, signed for and picked up the $2,000,000.00 cashier's check for my Bail.

22. After issuance of the cashier's check, the approximate balance in the Merrill Lynch Account was $1,000,000.00.

23. Only after Tiffany posted my Bail, was I released from custody at the Federal Detention Center ("FDC").

24. On the morning of October 8, 2020, I was released from FDC.

25. Later that afternoon, I met with my attorney Michael Green, who prepared a document titled "Affidavit of Cash Bail".

26. I signed the Affidavit of Cash Bail with the understanding that it was a receipt for the monies that Tiffany withdrew from our Accounts to fund my Bail. At no time was it my intent, nor did I have the legal right to exert exclusive ownership of the Bail, which under the Marital Agreement is a joint marital asset.

27. On or about October 15, 2020, the Merrill Lynch Account was closed, and the remaining funds were transferred to another Account and were subsequently used to pay for my various legal expenses and costs ("Martin's Legal Fees") expended in this and other criminal and civil matters.

28. On or about October 15, 2020, I agreed and promised Tiffany that the $2,000,000 cash bail which she posted would be returned to her. In exchange, Tiffany agreed to allow me to use all our remaining liquid assets and liquidated assets I would later sell (e.g., cars and real property and property interests) to fund my legal defense and costs.

29. Pursuant to the Marital Agreement, Tiffany had a joint marital interest in the Merrill Lynch Account, which included the $2,000,000.00 used for my Bail and the $1,000,000.00 expended on my Legal Fees.

30. Pursuant to the Marital Agreement, Tiffany had a joint marital interest in other nonliquid assets, including a condo in Beverly Hills, automobiles, and property interests in Honolulu, which were all liquid to fund my personal legal expenses, in exchange for and under my agreement and promise that the $2,000,000 Bail be returned to her.

I DECLARE UNDER PENALTY OF LAW THAT THE FOREGOING IS TRUE AND CORRECT.

DATED: Honolulu, Hawaii, February 27, 2025.

MARTIN KAO