

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	CRIMINAL NO. 09-404
v.	*	SECTION: “L”
KATHERINE JEAN CHARLES	*	

* * *

FACTUAL BASIS

Should this matter have gone to trial, the Government would have proved beyond a reasonable doubt, through the introduction of competent testimony and admissible tangible exhibits including the testimony of agents of the United States Postal Inspection Service (“USPIS”), employees of the Home Federal Bank of Nampa, Idaho (“Home Federal”) and others, the following facts to support the allegations charged by the United States Attorney in the Indictment now pending against the defendant, Katherine Charles.

An employee of Home Federal would testify that on or about February 12, 2008, they received from the defendant an application for a health savings account (hereinafter referred to as “HSA”). They opened the HSA in the name of the defendant and issued her a debit card for the purpose of withdrawing funds on said account. The defendant was assigned a personal identification

number (hereinafter referred to as a “pin”), for use of the debit card. The defendant inputted the pin at the point of transaction.

An employee of Home Federal would testify that between August 1, 2008 and August 10, 2008, the defendant caused to be deposited six (6) checks into said HSA. Upon the deposit of said checks Home Federal provided the defendant with immediate credit on the HSA balance. The checks deposited into the HSA were drawn on Louisiana Federal Credit Union in LaPlace, Louisiana and First National Bank USA in Boutte, Louisiana.

An employee of Home Federal would establish that the Defendant used the HSA debit card to immediately withdraw funds from said HSA, including a transaction on August 11, 2008 in the amount of \$1,016.77 at Wal-Mart in Boutte, Louisiana.

A representative of Louisiana Federal Credit Union would establish that the defendant’s account was suspended, since June 3, 2008 due to the issuance of insufficient funds checks. The representative would further state that at the time the checks were deposited into the HSA at Home Federal there were no funds in the account.

A representative of First National Bank USA would establish that the defendant’s account was closed on April 20, 2007 due to the issuance of insufficient funds checks.

A representative of Home Federal would establish that as a result of the bank fraud scheme the financial institution incurred a loss of approximately \$5,538.48. They would also establish that Home Federal is insured by the Federal Deposit Insurance Corporation.

At the time the defendant deposited the checks into the HSA and withdrew the funds with her debit card, she knew that her accounts at Louisiana Federal Credit Union and First National Bank USA had been suspended or closed and that Home Federal would not receive the money.

READ AND APPROVED:

VALERIE JUSSELIN
Counsel for Defendant

SHARAN E. LIEBERMAN
Assistant U.S. Attorney

KATHERINE JEAN CHARLES
Defendant