

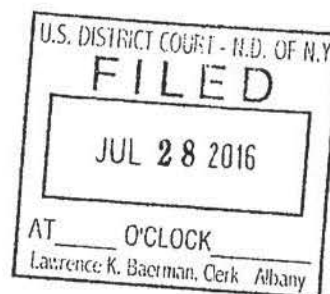
IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA ) Criminal No. **8:16-CR-235(BKS)**  
 )  
 v. ) **Indictment**  
 )  
 KEITH ERIC JERGENSEN and ) Violation: 18 U.S.C. §§ 1349, 1343  
 DEBASHIS GHOSH, ) [Conspiracy to Commit Wire  
 ) Fraud]  
 )  
 ) 1 Count and Forfeiture Allegation  
 )  
 ) Counties of Clinton, Onondaga  
 Defendants. ) Offense:

**THE GRAND JURY CHARGES:**

**Count One**  
**[Conspiracy to Commit Wire Fraud]**

**Relevant Persons and Entities**



At all times relevant to this indictment:

1. Verdant Capital Group, LLC (“Verdant”) was a Delaware company formed in October 2010 and engaged in the business of helping companies obtain funding sources for construction and energy projects. **KEITH ERIC JERGENSEN (“JERGENSEN”)**, of Salt Lake City, Utah, and **DEBASHIS GHOSH (“GHOSH”)**, of Chicago, Illinois, were both members of Verdant and its Co-Chief Executive Officers.
2. Verdant maintained accounts at Wells Fargo Bank, N.A. (“Wells Fargo”), including a commercial account with the number XXXXXX0285 (the “0285 Account”). **JERGENSEN** and **GHOSH** were the only authorized signatories on the 0285 Account.

3. Company A was a New York corporation known to the grand jury with an office in Plattsburgh, New York, which was formed to build an airplane maintenance, repair and overhaul facility in Plattsburgh, New York (the "Facility").

#### The Agreements

4. In or about November 2010, Company A retained Verdant to raise money for the construction of the Facility. In response to a request from **JERGENSEN** and **GHOSH** for an investment from Company A in the Facility, Company A agreed to transfer \$2.5 million to a bank account that would be in the names of both Verdant and Company A.

5. On or about November 15, 2010, **JERGENSEN** and **GHOSH** opened a Wells Fargo commercial account with the number XXXXXX2296 (the "2296 Account") in the names of Verdant and Company A, but **JERGENSEN** and **GHOSH** were the only signatories on the account until on or about May 4, 2011.

6. On or about November 30, 2010, Company A and Verdant entered into a "Memorandum of Understanding," stating that the parties would open an account that would have signatories from both Verdant and Company A; that authorization from the signatories for both Verdant and Company A would be required for any use of the money in the account; that Company A would deposit approximately \$2.5 million into this account; and that the money would remain in the account for one year.

7. On or about December 2, 2010, Company A and Verdant entered into an agreement referred to as the "November 2010 Agreement," stating that Company A and its corporate affiliate would deposit \$2.5 million into an account in the name of Company A and Verdant; that the money would remain in the account for one year; and that the money would

then be returned to Company A so that it could be used to finance costs associated with the Facility.

8. On or about December 3, 2010, Company A and Verdant entered into an "Equity Account Agreement" identifying the 2296 Account as the account that would receive the money and requiring Verdant to provide Company A with statements demonstrating the account balance on at least a monthly basis.

9. From in or about November 2010 through in or about August 2014, in Clinton and Onondaga Counties in the Northern District of New York, and elsewhere, the defendants, **KEITH ERIC JERGENSEN** and **DEBASHIS GHOSH**, conspired to commit wire fraud, in violation of Title 18, United States Code, Section 1343, by devising and intending to devise a scheme and artifice to defraud Company A of \$2.5 million, by misappropriating and diverting this money, and by misrepresenting, concealing, disguising, and failing to disclose material information to Company A about the location, safekeeping and use of the money, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, promises, and material omissions, and for the purpose of executing such scheme and artifice and attempting so to do, transmitting and causing to be transmitted by means of wire communications in interstate commerce writings, signs and signals, all in violation of Title 18, United States Code, Section 1349.

**Purpose**

10. The purpose of the conspiracy was to steal Company A's \$2.5 million and then conceal the theft from Company A.

**Manner and Means**

11. On December 3, 2010, Company A transferred \$2.5 million by wire into the 2296

Account, as follows:

| <b><u>Date</u></b> | <b><u>Origin</u></b>             | <b><u>Amount</u></b> | <b><u>Destination</u></b>             |
|--------------------|----------------------------------|----------------------|---------------------------------------|
| December 3, 2010   | KeyBank<br>Syracuse, New York    | \$2,000,000.00       | Wells Fargo account<br>ending in 2296 |
| December 3, 2010   | KeyBank<br>Plattsburgh, New York | \$500,000.00         | Wells Fargo account<br>ending in 2296 |

12. On the following dates, without providing any notice to Company A,

**JERGENSEN** and **GHOSH** transferred the following amounts from the 2296 Account to the 0285 Account via a total of 13 intrabank transfers:

| <b><u>Date</u></b> | <b><u>Amount Transferred</u></b> |
|--------------------|----------------------------------|
| December 8, 2010   | \$62,500                         |
| December 23, 2010  | \$875,000                        |
| December 29, 2010  | \$1,300,000                      |
| January 10, 2011   | \$25,000                         |
| January 18, 2011   | \$25,000                         |
| January 26, 2011   | \$35,000                         |
| January 28, 2011   | \$35,000                         |
| February 2, 2011   | \$60,000                         |
| February 11, 2011  | \$20,000                         |
| February 14, 2011  | \$10,000                         |
| February 17, 2011  | \$40,000                         |
| March 4, 2011      | \$10,000                         |
| March 18, 2011     | \$500                            |

As **JERGENSEN** and **GHOSH** then well knew at the time of each of these transfers, they did not tell Company A about these transfers, and they transferred the money without Company A's knowledge. As of March 18, 2011, **JERGENSEN** and **GHOSH** had transferred all of the \$2.5 million from the 2296 Account. After transferring the money to the 0285 Account, **JERGENSEN** and **GHOSH** used the money to pay Verdant's expenses including employees

and contractors and to pay others, including payments totaling \$1.75 million to a now-defunct home energy services company that Verdant had agreed to raise money for; a \$55,000 "loan" to an acquaintance; and transfers of at least \$40,000 to **JERGENSEN's** company Contour Composites, Inc.

13. From December 2010 until July 2012, **JERGENSEN** and **GHOSH** failed to provide Company A with monthly statements for the 2296 Account.

14. On or about March 23, 2011, Wells Fargo gave the monthly statements for the 2296 Account directly to Company A, and Company A learned that the \$2.5 million had been transferred out of the 2296 Account.

15. On March 25, 2011, Company A's Chairman, P.J., sent an electronic mail message to **JERGENSEN**, with a copy to **GHOSH**, asking where the \$2.5 million had gone, and on the same day, **JERGENSEN** responded by email, with a copy to **GHOSH**, stating that Company A's \$2.5 million was in a "security account" at Wells Fargo controlled by "the Lender" when, as **JERGENSEN** and **GHOSH** then well knew, that was false because they had actually transferred the money to the 0285 Account and then spent the money.

16. On September 30, 2011, **JERGENSEN** sent a letter that he and **GHOSH** had written by electronic mail to Company A's President and Chief Executive Officer, J.R.W., stating that the \$2.5 million was "moved over a period of time, as requested by the Lender, out of the [2296 Account] into a separate, secured account at Wells Fargo NA under management of the Lender," when, as **JERGENSEN** and **GHOSH** then well knew, that was false because they had actually transferred the money to the 0285 Account and then spent the money.

17. On January 14, 2013, **JERGENSEN** sent a December 20, 2010 "Memorandum of Understanding" between Verdant and "the Lender" to J.R.W. by electronic mail. The

“Memorandum of Understanding” stated that Verdant could transfer Company A’s \$2.5 million to the Lender’s “secured account at Wells Fargo Bank,” when, as **JERGENSEN** and **GHOSH** then well knew, that was false because they had actually transferred the money to the 0285 Account and then spent the money.

All in violation of Title 18, United States Code, Section 1349.

**Forfeiture Allegation**

18. The allegations contained in Count One of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

19. Upon conviction of a conspiracy to violate Title 18, United States Code, Section 1343, in violation of Title 18, United States Code, Section 1349, the defendants, **KEITH ERIC JERGENSEN** and **DEBASHISH GHOSH**, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses of conviction. The property to be forfeited includes, but is not limited to, the following: A money judgment in the amount of \$2,500,000.00 in U.S. Currency, for which the defendants are jointly and severally liable.

20. If any of the property described above, as a result of any act or omission of the defendant:


- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c). All pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

Dated: July 28, 2016

A TRUE BILL, \*\*\*REDACTED\*\*\*

  
Grand Jury Foreperson

RICHARD S. HARTUNIAN  
United States Attorney

By:



Michael Barnett  
Assistant United States Attorney  
Bar Roll No. 519140