



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

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For Immediate Release: December 23, 2010

News Release 2010-30

**PRESIDENT OF MAUI INDUSTRIAL LOAN & FINANCE COMPANY
CHARGED WITH SECURITIES FRAUD**

WAILUKU – Lloyd Y. Kimura, 61, president of Maui Industrial Loan & Finance Company and former president of Lloyd Y. Kimura, Inc. in Wailuku, has been charged with two counts of Prohibited Securities Practice and two counts of False or Misleading Financial Statement.

The Department of the Attorney General filed a complaint in the Circuit Court of the Second Circuit on December 20, 2010, alleging that between June 30, 2008, to and including June 30, 2009, Kimura filed false or misleading statements and omitted statements required by law in Verification Statements of Maui Industrial Loan & Finance Company that were filed with the Financial Institutions Division of the Department of Commerce and Consumer Affairs.

The complaint also alleges that between February 2007 and June 2009, Kimura, in connection with the offer, sale, or purchase of any security, employed a device, scheme, or artifice to defraud another in amounts greater than \$100,000. A copy of the complaint is attached.

Prohibited Securities Practice is a class A felony with a maximum penalty of twenty years of imprisonment or a fine of \$50,000 or both. False or Misleading Financial Statement is a class C felony with a maximum penalty of five years of imprisonment or a fine of \$20,000 or both.

Arraignment and plea and a change of plea are scheduled for December 28, 2010, at 8:30 a.m. before the Honorable Joseph Cardoza.

A complaint is only an accusation, and Kimura is presumed innocent unless and until he is found guilty by a judge or jury.

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For more information, contact:
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ATTORNEY GENERAL
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2010 DEC 21 P 3:42

V. ISHIHARA, CLERK
SECOND CIRCUIT COURT
STATE OF HAWAII

Attorneys for the State of Hawaii

IN THE CIRCUIT COURT OF THE SECOND CIRCUIT

STATE OF HAWAII

STATE OF HAWAII,

vs.

LLOYD Y. KIMURA

Defendant.

) CR. NO. 10-1-0657(3)

) COUNT I:
) FALSE OR MISLEADING FINANCIAL
) STATEMENT
) § 412:2-607(A)(1), H.R.S.
) (AG NO. 09-18018)

) COUNT II:
) FALSE OR MISLEADING FINANCIAL
) STATEMENT
) §412:2-607(A)(1), H.R.S.
) (AG NO. (AG NO. 09-18018-1)

) COUNT III:
) PROHIBITED SECURITIES PRACTICES
) §§ 485A-501(1) AND 485A-508(A)(3),
) H.R.S.
) (AG NO. 09-18018-2)

) COUNT IV:
) PROHIBITED SECURITIES PRACTICES
) §§ 485A-501(1) AND 485A-508(A)(3),
) H.R.S.
) (AG NO. 09-18018-3)

) COMPLAINT

I hereby certify that this is a full, true and
correct copy of the Original.

Clerk, Second Circuit Court

COMPLAINT

COUNT I: On or about the 30th day of June, 2008, to and including the 31st day of December, 2008, in the County of Maui, State of Hawaii, LLOYD Y. KIMURA, an institution-affiliated party of Maui Industrial Loan & Finance Company, Inc., with intent to deceive, did make a false or misleading statement or entry or omitted a statement or entry required by law or rule to be made in the Verification Statement of Maui Industrial Loan & Finance Company, Inc., thereby committing the offense of False or Misleading Financial Statement, in violation of Section 412:2-607(a)(1) of the Hawaii Revised Statutes.

COUNT II: On or about the 30th day of June, 2009, in the County of Maui, State of Hawaii, LLOYD Y. KIMURA, an institution-affiliated party of Maui Industrial Loan & Finance Company, Inc., with intent to deceive, did make a false or misleading statement or entry or omitted a statement or entry required by law or rule to be made in the Verification Statement of Maui Industrial Loan & Finance Company, Inc., thereby committing the offense of False or Misleading Financial Statement, in violation of Section 412:2-607(a)(1) of the Hawaii Revised Statutes.

COUNT III: On or about the 5th day of February, 2007 , in the County of Maui, State of Hawaii, LLOYD Y. KIMURA, in connection with the offer, sale, or purchase of any security in the State of Hawaii, did employ a device, scheme, or artifice to defraud, and the total value of all money and anything else of value paid by or lost by Barron Souza and Rosaline Souza pursuant to the same scheme, plan, or representations, or to the same entity, amounted to \$100,000 or

more, thereby committing the offense of Prohibited Securities Practices, in violation of Sections 485A-501(1) and 485A-508(a)(3) of the Hawaii Revised Statutes.

COUNT IV: On or about the 5th day of November, 2007 to and including the 25th day of June, 2008, in the County of Maui, State of Hawaii, LLOYD Y. KIMURA, in connection with the offer, sale, or purchase of any security in the State of Hawaii, did employ a device, scheme, or artifice to defraud, and the total value of all money and anything else of value paid by or lost by Ronald Riccio and Carol Riccio pursuant to the same scheme, plan, or representations, or to the same entity, amounted to \$100,000 or more, thereby committing the offense of Prohibited Securities Practices, in violation of Sections 485A-501(1) and 485A-508(a)(3) of the Hawaii Revised Statutes.

DATED: Honolulu, Hawaii, December 16, 2010.



CHRISTOPHER D.W. YOUNG
Supervising Deputy Attorney General
State of Hawaii

