



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

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HONOLULU ATTORNEY SENTENCED TO TEN YEARS

HONOLULU - On December 13, 2004, Honolulu attorney Jerrold Y. Chun, 56, was sentenced on three counts of Theft in the First Degree, one count of Unlawful Ownership or Operation of Business, and ten counts of Money Laundering. Mr. Chun was ordered to serve a ten-year term of imprisonment on each count, all counts to run concurrent.

Mr. Chun diverted more than 7.9 million dollars to himself on three different occasions during June and July 2003, from an entity named HUI/UNICO in Liquidation, Inc. In 1992, the State Insurance Commissioner took over two insurance companies, Hawaiian Underwriters Insurance Co. and United National Insurance Co., Ltd., because the number of claims exceeded the companies' available financial resources due to Hurricane Iniki. Those two companies became the entity now known as HUI/UNICO in Liquidation, Inc.

The Insurance Commissioner was in the process of liquidating the assets of the two former insurance companies, and using those funds to pay off as many of the remaining claims held by HUI/UNICO in Liquidation, Inc., as possible.

Theft in the First Degree is a class "B" felony punishable by up to ten years in prison and a fine of \$25,000.

Unlawful Ownership or Operation of Business is a class "B" felony punishable by up to ten years in prison and a fine of \$25,000. In addition, a person who violates this chapter shall forfeit to the State any interest or property acquired or maintained in violation of Chapter 842 of the Hawaii Revised Statutes.

Money Laundering, where the value of the property involved is \$10,000 or more, is a class "B" felony punishable by up to ten years in prison and a fine of \$25,000, or twice the value of the property involved, whichever is greater.

Attorney General Mark Bennett stated, "The ten year sentence properly reflects the extraordinary seriousness of these crimes. I hope that it will send a message to the community that if you abuse a position of trust, and in such a serious way, you will receive a just punishment."

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