



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

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**PRESIDENT OF MAUI INDUSTRIAL LOAN & FINANCE COMPANY
SENTENCED TO TWENTY YEARS IMPRISONMENT**

WAILUKU, Hawaii – Lloyd Y. Kimura, 61, former president of Maui Industrial Loan & Finance Company and Lloyd Y. Kimura, Inc. in Wailuku, was sentenced today in State Circuit Court on Maui by Judge Joseph Cardoza to twenty years imprisonment and ordered to pay restitution in the amount of \$8,093,907.

Defendant plead guilty and was sentenced pursuant to a plea agreement with the State. Kimura was sentenced to twenty years imprisonment for two counts of Prohibited Securities Practice and five years imprisonment for two counts of False or Misleading Financial Statement. 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.

The complaint filed by the Department of the Attorney General in this case alleged 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 Division of Financial Institutions of the Department of Commerce and Consumer Affairs. The complaint also alleged 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.

The offenses were initially discovered through the efforts of the Division of Financial Institutions of the Department of Commerce and Consumer Affairs. The discovery was followed by a joint investigation by the Department of the Attorney General and federal law enforcement authorities, including the United States Attorney's Office and the Federal Bureau of Investigation.

Because of the seriousness of the offenses and the tremendous impact on the community, certain federal violations were prosecuted in federal court and different state violations were pursued in state court. On July 13, 2011, Kimura was sentenced in federal court to eleven years and eight months imprisonment for nine counts of mail fraud, bank fraud, and theft from

employee benefit plan. Kimura's state sentence of imprisonment will be served concurrently with his federal sentence.

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