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# Rewald request denied—last of property to be sold

**Walter Wright**  
*Honolulu Staff Writer*

A federal judge yesterday ordered Ronald Rewald strip-  
ped of the last vestiges of a  
multimillion-dollar empire  
passed with his investors' money.

The stuff was bought with  
money from Rewald's trusting  
partners, not from the CIA, the  
judge said.

And Rewald himself, despite  
an annual salary of nearly \$50-  
00 in the motion picture busi-  
ness, said he is plagued with  
personal, legal and medical ex-  
penses which are "forcing us  
into bankruptcy."

Friends of the toppled Hono-  
lulu financier said lack of  
money last week blocked Re-  
wald's plans to undergo surgery  
to correct a crippling back ail-  
ment.

U.S. District Court Judge

**in court**

Martin Pence yesterday refused  
to stay the sale of the trappings  
of Rewald's once lavish life-  
style, including 16 classic and  
luxury cars, two boats, a collec-  
tion of daggers and a suit of  
armor.

Pence said the trustee han-  
dling the bankruptcy of Re-  
wald's defunct company "has  
traced every dollar that went  
into the company and out."

It was Rewald who offered  
investors as much as a 50 per-  
cent return on their money in  
"practically guaranteed" invest-

ments, the judge said.

And it was Rewald who —  
instead of investing the money  
— "cannibalized" it, spending it  
on cars, trips to Argentina, polo  
ponies, tutors for his children,  
salaries for consultants and lav-  
ish parties, Pence said.

Under the circumstances, the  
judge said, the idea of delaying  
the sale of assets is "preposter-  
ous."

Robert Smith, Rewald's civil  
attorney, said he will ask the  
9th Circuit Court of Appeals to  
block the sale.

But Smith added he may  
agree to private sales at the  
right prices, still preserving Re-  
wald's claim to the proceeds.

Rewald has reported to the  
criminal court that he is spend-  
ing \$5,885 a month and at best  
has gross income of \$4,000 a  
month.

After selling the rights to his  
life story to California movie

producer Ron Kauffman, Re-  
wald was hired on as a consult-  
ant. But he says he hasn't been  
able to work full time because  
of his legal and medical prob-  
lems.

His expenses include \$1,200 a  
month rent and \$1,000 a month  
toward the costs of his legal  
defense, the rest of which is  
being paid by the taxpayers on

grounds Rewald can't other-  
wise afford an adequate de-  
fense.

And there's a utility and  
phone bill of \$875 a month.

"We are obviously not mak-  
ing it financially, and are cur-  
rently running behind on most  
of our bills," Rewald said in a  
report to the court.

And, said Rewald, who cur-  
rently lives in Los Angeles:  
"I have over the past  
days sought professional help  
and counseling through Ameri-  
can Credit Services Inc. and  
will try and work with them,  
although it appears that they  
know less than I do and it may  
be just a further waste of  
money."

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