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# Playmate': Rewald aided me through divorce

By Walter Wright  
*Advertiser Staff Writer*

When Cynthia Michelle Brooks appeared as Playboy Magazine's centerfold in April, the important numbers were 34-23-34.

But when the former Honolulu model testified in federal court here yesterday, the questions were about other numbers — big numbers with dollar signs in front of them.

Brooks, 33, took the stand before a standing-room-only audience in the trial of Ronald Rewald on 98 counts of fraud, tax evasion and perjury. U.S. District Judge Harold Fong, noting the crowd, told her that her testimony "outdrew Jack Lord," another celebrity witness in the case.

Brooks testified she invested \$18,000 in Rewald's firm and that Rewald once gave her \$3,000 to help her through her divorce.

Brooks said Rewald told her "he had more money than he could ever spend in a lifetime."

She said she met Rewald at his Hawaii Polo Club, where she went to get a chance to ride horses by exercising them for polo team members. "I was holding a horse he was getting on, and we just met," she said.

Brooks said Rewald offered to give her money "all the time" after they met. But she said the \$3,000 gift and Rewald's offer to pay the legal fees for her divorce were the



**Cynthia Brooks**  
*Standing-room-only audience*



**Theresa Black**  
*'Devastated' by lost money*

*Advertiser sketches by James Takamaya.*

only times she accepted. And she said she later learned that the \$530 in legal fees was deducted from her account at Rewald's firm, Bishop Baldwin Rowald Dillingham & Wong.

Asked why Rewald pressed money on her, Brooks said, "In my opinion, Mr. Rewald always seemed like he had great wealth, and was always concerned about my welfare." He often said things like, "Let me just write you a check" or "Do

you need anything?" she said.

Did she accept the money? "No, no, no — because it scared me," Brooks said.

But then in August 1982, she said, "I came to him at that time" and told Rewald about her desire to move out of her husband's house and into an apartment of her own, and he wrote the \$3,000 check.

Company records show Brooks also received checks for \$2,000 and \$5,000 from Re-

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wald's firm and that the amounts were not deducted from her account.

She testified she didn't remember receiving or cashing the \$2,000 check, although she acknowledged that the signature endorsing the check looked like hers.

She was not asked about the \$5,000 check.

Brooks' account was debited for other withdrawals she made, but showed an \$18,000 balance — including Rewald's promised 20-percent-plus interest — when the company collapsed in August 1983.

The trustee in the company's bankruptcy is insisting that Brooks repay \$3,000 she withdrew in May 1983 because all payments within 90 days before a bankruptcy must be returned to be shared equally with all creditors.

Brooks is fighting the trustee, and a bankruptcy judge took the dispute under submission Tuesday.

If she returns the \$3,000, she will have a net loss of \$2,456 in her dealings with Rewald and the firm, company records indicate.

After their meeting at the Polo Club, Brooks testified, she got to know Rewald better, seeing him occasionally at the club.

Rewald told her of his investment program, with guaranteed 20 percent interest, tax deferred income and insured accounts, she said.

She was skeptical, and even declined when Rewald once offered to open an account for her with his own funds.

Then, in February 1982, she and her husband gave Rewald a check for \$5,000 to open an account.

Her father urged her instead to open an IRA account, she said, but Rewald discouraged her from withdrawing her money for that purpose, saying she was getting a much bigger return at Bishop Baldwin.

She said she thought Rewald was "very keen. He seemed to have the right answer for any question. Every turn I made, he was standing there with a reason why I should keep my money there . . . He was really convincing."

In other testimony yesterday, former insurance saleswoman Jane Linuma said Rewald paid her more than \$100,000 from December 1980 to July 1983 to be his traveling companion and mistress.

Linuma said Rewald at first paid her \$1,000 a month, but increased the payments to \$2,000 a month within a few weeks. She said he also paid many of her expenses, including doctor bills, school tuition and car payments, and gave her \$20,000 for a European trip in the spring of 1983.

Linuma said she had put \$65,500 of her own money into Rewald's firm, and then was promised a 50 percent commission on about \$120,000 of other

people's money she obtained for an investment with Rewald.

The bankruptcy trustee has taken action to recover all the money Rewald gave Linuma and other women who he says provided no services to the company.

Linuma said that as a result she owes the trustee \$55,000 and will lose her home.

Another investor in Bishop Baldwin, widow Theresa Black testified yesterday she gave Rewald more than \$80,000 in insurance proceeds she received when her husband and two of her sons were killed in the crash of their skydiving plane in 1981.

The loss of the money, she said, "devastated" her and forced her to leave Hawaii and move in with relatives in Texas because she can no longer afford to live here.

Attorney Dana Smith, who incorporated Bishop Baldwin and several sporting goods firms for Rewald, said yesterday he knew nothing of financial statements claiming the sporting goods operations were worth up to \$2 million.

Smith said someone had attached letters from him to the financial statements, and had changed the date on one of the letters.

Smith said the sporting goods companies never made money and seemed to survive only because Rewald kept loaning them money drawn from Bishop Baldwin's checking account.