



**DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Business Registration Division**

News Release

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**STATE SECURITIES COMMISSIONER ORDERS
NELSON WAIKIKI, JR., OPUNUI WATER COMPANY, LLC,
AND OPUNUI LAND AND WATER COMPANY, LLC
TO CEASE SALE OF UNREGISTERED SECURITIES**

HONOLULU – Hawai'i Commissioner of Securities Tung Chan issued a Preliminary Order to Cease and Desist and Notice of Right to Hearing against former Maui mayoral candidate Nelson Waikiki Jr., Opunui Water Company, LLC (Opunui Water), and Opunui Land and Water Company, LLC ("Opunui Land," and collectively with Nelson Waikiki Jr., and Opunui Water, the "Respondents").

The order alleges that from October 2008 and continuing through December 2011, Respondents solicited investors for an enterprise they called a "water selling system" or "water utility company." Nelson Waikiki Jr. allegedly misrepresented to investors that as a result of his involvement in U.S. Congressional hearings, Congress was about to approve a process of law that would require every developer and private landowner in the entire state to go through Opunui Water for "all water usage."

In reality, the Respondents had acquired neither federal nor state permits for a "water selling system." The order further alleges that Nelson Waikiki Jr. represented to investors that the enterprise was endorsed by Senator Daniel Akaka and other politicians, and that President Barack Obama was his business partner, none of which was true. Furthermore, it was alleged Respondents oversubscribed interests in the enterprise by promising investors that their investments would entitle them to certain percentages of future profits, which collectively exceeded 100 percent of future profits and that Respondents used some, if not all, of the

investor funds for Nelson Waikiki Jr.'s personal use.

Commissioner Chan asserts that Respondents sold and continued to offer unregistered securities in the form of investment contracts to seven (7) Hawai'i investors, and violated the State's anti-fraud provisions. The order seeks a civil penalty of \$200,000 in addition to a permanent injunction against transacting securities in the State, rescission and restitution for investors.

State securities laws provide anti-fraud provisions and also require securities such as investment contracts, as well as individuals or entities soliciting or transacting securities, to be registered with the State.

Anyone who has been solicited by or transacted business with Nelson Waikiki Jr., Opunui Water, and/or Opunui Land or who may have information regarding this matter is urged to contact the State Securities Enforcement Branch.

Securities Enforcement Branch

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