

STEPHEN H. LEVINS, #3289
Office of Consumer Protection
235 South Beretania Street, Room 801
Honolulu, Hawaii 96813-2437
Telephone: 586-2636

1ST CIRCUIT COURT
STATE OF HAWAII
FILED

1999 APR 28 PM 3:43

M. TANAKA
CLERK

Attorney for Plaintiff

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by Jo Ann M. Uchida, as Executive Director of the Office of Consumer Protection,	)	CIVIL NO. 97-4540-11
	)	(Other Civil Action)
Plaintiff,	)	STIPULATED PERMANENT
	)	INJUNCTION AND FINAL JUDGMENT
vs.	)	AGAINST DEFENDANT PACWEST
	)	(HAWAII) CORPORATION, DBA
PACWEST (HAWAII) CORPORATION, dba Pacific Western University (Hawaii), Inc.; JOHN DOES 1-20; DOE CORPORATIONS 1-10; and DOE ENTITIES 1-10,	)	PACIFIC WESTERN UNIVERSITY
	)	(HAWAII), INC.
Defendants.	)	Trial Date: Week of June 7, 1999
	)	SCF Judge: None
)	

STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT
AGAINST DEFENDANT PACWEST (HAWAII) CORPORATION,
DBA PACIFIC WESTERN UNIVERSITY (HAWAII), INC.

Plaintiff and Defendants hereby stipulate and agree to the entry of this Stipulated Permanent Injunction and Final Judgment Against Defendant Pacwest (Hawaii) Corporation, dba Pacific Western University (Hawaii), Inc. (hereinafter Stipulated Judgment) as follows:

STEPHEN H. LEVINS, #3289
Office of Consumer Protection
235 South Beretania Street, Room 801
Honolulu, Hawaii 96813-2437
Telephone: 586-2636

Attorney for Plaintiff

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by Jo Ann M. Uchida, as Executive Director of the Office of Consumer Protection,	)	CIVIL NO. 97-4540-11 (Other Civil Action)
)	
Plaintiff,	)	STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT PACWEST (HAWAII) CORPORATION, DBA PACIFIC WESTERN UNIVERSITY (HAWAII), INC.
vs.)	
)	
PACWEST (HAWAII) CORPORATION, dba Pacific Western University (Hawaii), Inc.; JOHN DOES 1-20; DOE CORPORATIONS 1-10; and DOE ENTITIES 1-10,)	
)	
Defendants.	)	Trial Date: Week of June 7, 1999 SCF Judge: None
)	

STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT
AGAINST DEFENDANT PACWEST (HAWAII) CORPORATION,
DBA PACIFIC WESTERN UNIVERSITY (HAWAII), INC.

Plaintiff and Defendants hereby stipulate and agree to the entry of this Stipulated Permanent Injunction and Final Judgment Against Defendant Pacwest (Hawaii) Corporation, dba Pacific Western University (Hawaii), Inc. (hereinafter Stipulated Judgment) as follows:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This court has jurisdiction over this matter and the parties hereto pursuant to Haw. Rev. Stat. Chapters 446E, 480, 487 and 603 and venue is proper herein.

2. Plaintiff's Complaint states allegations against Defendants Pacwest (Hawaii) Corporation, and Pacific Western University (Hawaii), Inc. (hereinafter Defendants PWU) which if proven, would allow relief to be granted under Haw. Rev. Stat. §§ 446E-2, 480-2(a) and 481A-3.

3. Defendants PWU, its officers, agents, servants, employees and those persons in active concert or participation with it who receive actual notice of this order by personal service or otherwise, are hereby restrained and enjoined from failing to comply with the requirements set forth herein.

4. Defendants PWU shall be responsible for making the substantive terms and conditions of this judgment known to its officers, directors, successors, managers, employees and those persons associated with Defendant PWU who are responsible for implementing the obligations set forth in this judgment.

5. Defendants PWU shall not effect any change in its form of doing business or organizational identity for the purpose of avoiding the terms and conditions contained in this judgment.

6. Unless otherwise specified herein, this judgment shall take effect on its filing with the court. The receipt or deposit by the Office of Consumer Protection of any monies pursuant to this judgment does not constitute acceptance by the Office of Consumer Protection and any monies received will be returned if this judgment is not executed by the Office of Consumer Protection or the court.

7. Defendants PWU shall, with respect to any and all future business activities in the State of Hawaii, comply with Chapters 446E, 480 and

481A of the Hawaii Revised Statutes.

8. Defendants PWU be and is hereby permanently enjoined from making any representations to the effect that it is registered with or authorized by the State of Hawaii to confer bachelor, master, and doctoral degrees, and or award academic degrees. "Representation" includes any oral, written, pictorial, or graphic communication, by any medium, made by, at the request of, or with the consent of the Defendants.

9. Defendants PWU be and is hereby permanently enjoined from making any representations that utilize the term accreditation, accrediting, or any form thereof in a misleading manner.

10. Defendants PWU be and is hereby required in all catalogs, promotional material and contracts for instruction, including all advertisements and internet websites, to state clearly and conspicuously the disclosure requirement contained in Haw. Rev. Stat. § 446E-2. "Advertisement" means any oral, written, or graphic statement or representation made by, at the request of, or with the consent of the Defendants.

11. Complaints made by any consumer for refunds shall be handled by Plaintiff. All refunds shall be conditioned upon: (a) the execution of an affidavit by the consumer stating under oath that the consumer believed that the Defendant was accredited by an agency recognized by the U.S. Department of Education or was a state-chartered, regulated or licensed educational institution approved by the State of Hawaii and (b) the return of the diploma and all transcripts, as well as any copies thereof. The refund shall be made by Defendants PWU to the consumer within fourteen days of receipt of the executed affidavit, diploma, transcripts and copies. Defendants PWU shall provide a full refund to any consumer as set forth herein. The refund period shall last for not more than six months from the date of

filing of the Stipulated Judgment against Defendant.

12. Defendants PWU be and is hereby liable to pay the sum of Thirty Thousand Dollars (\$30,000.00) to the Office of Consumer Protection, State of Hawaii for costs of investigation pursuant to Haw. Rev. Stat. § 480-3.1. Payments shall be in the form of two (2) cashier's checks made payable to the "State of Hawaii." The first payment shall be in the amount of \$15,000.00 and paid concurrently with the execution of this Stipulated Judgment, The second payment shall be in the amount of \$15,000.00 and shall be made not later than June 1, 1999.

13. Defendants PWU shall promptly provide to the Office of Consumer Protection upon its request proof of any action(s) required to be taken by the Defendant pursuant to the terms of this Stipulated Judgment.

14. Under no circumstances shall this document or the name of State of Hawaii, the Office of Consumer Protection, Department of Commerce and Consumer Affairs, or any of its employees or subdivisions be used by Defendants PWU in connection with any selling, advertising or promotion of any product or service. The parties understand that this document shall not be construed as an approval or sanction by the State of Hawaii of Defendants PWU's business practices. Nothing in this document shall be construed to permit or make lawful any act, practice, or course of conduct prohibited or made unlawful by Haw. Rev. Stat. Chaps. 446E, 480 or 481A or any other law.

15. This Stipulated Judgment shall apply to Defendants PWU, their agents, employees, successors and assigns.

16. This court shall retain jurisdiction of this case for purpose of enabling any of the parties to this stipulation to apply to this court at any time for further orders and directions as may be necessary or appropriate to carry out or

construe this stipulation, to enforce compliance, and to punish violations of its provisions. In the event Defendants PWU fails to make restitution as required herein, Defendants PWU agrees, in addition to all other payments required herein, to pay the Office of Consumer Protection civil penalties in the amount of Five Hundred Dollars (\$500.00) for each consumer who does not receive full restitution as required and set forth herein. If it shall be made to appear to the court that there has been a violation of any of the terms of this stipulation, upon motion, this court may enter an order to show cause why Defendants PWU should not be found in contempt. Nothing in this document shall bar Plaintiff from seeking, or the court from imposing, against Defendants PWU or any other person any other relief available under any other applicable provision of law for violation of this document, in addition to or in lieu of the civil penalties provided for above.

17. Nothing contained herein shall be construed to be an admission of wrongdoing by the Defendants named herein or any of its officers, agents, subsidiaries or related entities.

18. Nothing contained herein shall affect contracts relating to advertising existing on or before the execution date of this agreement but any and all subsequent contracts for advertising shall comply with the requirements of applicable Hawaii statutory laws in existence at the time of renewal.

19. No claims remain against any party.

20. Pursuant to Hawaii R. Civ. P. 54(b), there is no just reason for delaying entry of this Stipulated Judgment.

DATED: Honolulu, Hawaii, _____.

Judge of the above-entitled Court

from imposing, against Defendants PWU or any other person any other relief available under any other applicable provision of law for violation of this document, in addition to or in lieu of the civil penalties provided for above.

17. Nothing contained herein shall be construed to be an admission of wrongdoing by the Defendants named herein or any of its officers, agents, subsidiaries or related entities.

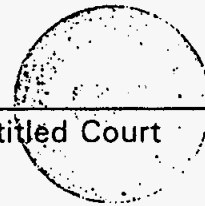
18. Nothing contained herein shall affect contracts relating to advertising existing on or before the execution date of this agreement but any and all subsequent contracts for advertising shall comply with the requirements of applicable Hawaii statutory laws in existence at the time of renewal.

19. No claims remain against any party.

20. Pursuant to Hawaii R. Civ. P. 54(b), there is no just reason for delaying entry of this Stipulated Judgment.

DATED: Honolulu, Hawaii, APR 28 1999.

COLLEEN K. HIRAI
Judge of the above-entitled Court



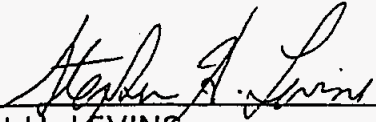
APPROVED AS TO FORM AND CONTENT AND AGREED:

STEPHEN H. LEVINS
Attorney for Plaintiff

GUY A. SIBILLA
Attorney for Defendants PACWEST (HAWAII) CORPORATION,
dba Pacific Western University and Pacific Western University (Hawaii), Inc.

Civil No. 97-4540-11; State of Hawaii vs. Pacwest (Hawaii) Corporation, dba Pacific Western University (Hawaii), Inc.; et al.; STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT PACWEST (HAWAII) CORPORATION, DBA PACIFIC WESTERN UNIVERSITY (HAWAII), INC. IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

APPROVED AS TO FORM AND CONTENT AND AGREED:



STEPHEN H. LEVINS
Attorney for Plaintiff



GUY A. SIBILLA
Attorney for Defendants PACWEST (HAWAII) CORPORATION,
dba Pacific Western University and Pacific Western University (Hawaii), Inc.

Civil No. 97-4540-11; State of Hawaii vs. Pacwest (Hawaii) Corporation, dba Pacific Western University (Hawaii), Inc.; et al.; STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT PACWEST (HAWAII) CORPORATION, DBA PACIFIC WESTERN UNIVERSITY (HAWAII), INC.