

JEFFREY E. BRUNTON #2833  
Office of Consumer Protection  
235 South Beretania Street, Room 801  
Honolulu, Hawaii 96813-2419  
Telephone: (808) 586-2636

Attorney for Plaintiff

FIRST CIRCUIT COURT  
STATE OF HAWAII  
FILED

2005 APR -5 PM 2: 32

H. CHING  
CLERK

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by its Office of Consumer Protection,	)	CIVIL NO. 05-1-0387-03 SSM
	)	(Other Civil Action)
	)	
Plaintiff,	)	STIPULATED PERMANENT
	)	INJUNCTION AND FINAL JUDGMENT
	)	AGAINST DEFENDANTS EMPIRE
	)	UNIVERSITY AND TCHANG BAHRK
vs.	)	
	)	
	)	
EMPIRE UNIVERSITY, a Hawaii nonprofit corporation and TCHANG BAHRK,	)	
	)	
Defendants.	)	Trial Date: None
	)	SCF Judge: None
	)	

---

STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT  
AGAINST DEFENDANTS EMPIRE UNIVERSITY AND TCHANG BAHRK

Plaintiff and Defendants Empire University and Tchang Bahrk

(hereinafter collectively "Defendants") hereby stipulate and agree to the entry of  
this Stipulated Permanent Injunction and Final Judgment Against Defendants  
Empire University and Tchang Bahrk as follows:

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:**

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

2. Plaintiff's Complaint states claims against Defendants upon which relief may be granted under Hawaii Rev. Stat. Chap. 446E and Hawaii Rev. Stat. § 480-2(a).

3. Defendants, their officers, agents, servants, employees and those persons in active concert or participation with them 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 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 Defendants who are responsible for implementing the obligations set forth in this judgment.

5. Defendants shall not effect any change in their 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 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 shall immediately cease conducting any and all business activities in the state of Hawaii, including the operation of any unaccredited degree granting institution. Defendants further agree that they shall not claim to operate any unaccredited degree granting institution under the color or authority of the laws of the State of Hawaii. Upon entry of this judgment or earlier, Defendants shall take whatever steps are necessary to voluntarily dissolve Empire University as provided for in Hawaii Rev. Stat. Chapter 414D.

8. Defendants be and are hereby, jointly and severally, liable to provide a full refund to any consumer as set forth herein. Upon entry of this judgment, Defendants shall notify all persons who enrolled or were awarded degrees subsequent to July 1, 1999 in writing that they are entitled to full restitution (conditioned only upon the return of any diploma awarded). Said notice shall be in a form agreeable by Plaintiff and shall also notify the recipients of their rights under Hawaii Rev. Stat. §480-13. Defendants shall, jointly and severally, provide a full refund to any recipient requesting one by certified check within fourteen days of receipt of the request for such and the return of the diploma, if applicable. In the event Defendants fail to make restitution as required herein, Defendants agree, in addition to all other payments required herein, to pay the Office of Consumer Protection civil penalties in the amount of One Thousand Dollars (\$1,000.00) for each consumer who does not receive full restitution as required and set forth herein.

9. Defendants, be and are hereby liable, jointly and severally, to Plaintiff in the amount of Five Thousand Dollars (\$5,000.00) for civil penalties,

attorneys' fees and costs of investigation pursuant to Hawaii Rev. Stat. § 480-3. Payment shall be in the form of a cashier's check made payable to the "State of Hawaii".

10. Defendants hereby warrant that this settlement and the amount of penalties is predicated on their representation that Empire University has not enrolled or graduated any individuals nor accepted any tuition or other payments. For any Empire University enrollees or graduates, Defendants be and are hereby liable, jointly and severally, to Plaintiff for civil penalties in the amount of \$10,000 per each such enrollee or graduate.

11. Defendants hereby agree that they shall, in addition to all other payments required by and in this stipulation, pay Plaintiff fifty per cent (50%) of any monies which they receive, or which they would be entitled to receive, from any third parties, based upon claims made arising out of the matters set forth in the Complaint. This would include, but not be limited to, any monies received from any insurance carriers or professionals rendering legal advice. Any such payments shall be made promptly upon the receipt of said monies by Defendants.

12. Defendants shall promptly provide to the Office of Consumer Protection upon request proof of any action(s) required to be taken by the Defendants pursuant to the terms of this stipulated judgment.

13. 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 their employees or subdivisions be used by Defendants 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' 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 Hawaii Rev. Stat. Chap. 446E, 480 or 481A or any other law.

14. This stipulated judgment shall apply to Defendants, their agents, employees, successors and assigns.

15. This court shall retain jurisdiction of this case for the 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 modify or terminate any of their provisions, to enforce compliance, and to punish violations of its provisions. 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 should not be found in contempt. Nothing in this document shall bar Plaintiff from seeking, or the court from imposing, against Defendants 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.

16. All payments required under this stipulated judgment shall be made by cashier's checks. Payments of civil penalties shall be payable to the Plaintiff.

17. No claims remain against any party.


DATED: Honolulu, Hawaii, APR 4 2005, 2005.

SABRINA S. MCKENNA




Judge of the above-entitled Court

APPROVED AND SO STIPULATED:

  
\_\_\_\_\_  
JEFFREY E. BRUNTON  
Attorney for Plaintiff

  
\_\_\_\_\_  
EMPIRE UNIVERSITY  
By: Tchang Bahrk  
Its: President  
Defendant

  
\_\_\_\_\_  
TCHANG BAHRK  
Defendant

Civil No. 05-1-0387-03 SSM; State of Hawaii vs. Empire University, et. al;  
STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST  
DEFENDANTS EMPIRE UNIVERSITY AND TCHANG BAHRK