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235 South Beretania Street, Room 801  
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Attorney for Plaintiff

STATE OF HAWAII  
FILED  
2002 DEC 19 AM 11:38

B. TERAOKA  
CLERK

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by its Office of Consumer Protection,	)	CIVIL NO. 02-1-2307-09 (VSM)
	)	(Other Civil Action)
	)	
Plaintiff,	)	DEFAULT JUDGMENT AGAINST
	)	DEFENDANTS NEWTON UNIVERSITY
	)	INC. AND BILL CHUCK LEE; EXHIBITS
	)	1 AND 2
	)	
vs.	)	(Motion filed November 27, 2002)
	)	
	)	<u>HEARING</u>
	)	Date: December 17, 2002
NEWTON UNIVERSITY INC., a Hawaii )	)	Time: 8:30 a.m.
corporation and BILL CHUCK LEE,	)	Judge: Victoria S. Marks
	)	
	)	
Defendants.	)	Trial Date: None
	)	SCF Date: None
	)	
	)	
	)	

DEFAULT JUDGMENT AGAINST DEFENDANTS  
NEWTON UNIVERSITY INC. AND BILL CHUCK LEE

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Business  
Registration Division of the Department of Commerce and Consumer Affairs of the  
State of Hawaii shall and is hereby ordered to dissolve, terminate, revoke and/or

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IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

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STATE OF HAWAII, by its Office of Consumer Protection,	)	CIVIL NO. 02-1-2307-09 (VSM)
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Defendants.	)	Trial Date: None
	)	SCF Date: None
	)	
	)	
	)	

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DEFAULT JUDGMENT AGAINST DEFENDANTS  
NEWTON UNIVERSITY INC. AND BILL CHUCK LEE

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that the Business  
Registration Division of the Department of Commerce and Consumer Affairs of the  
State of Hawaii shall and is hereby ordered to dissolve, terminate, revoke and/or

cancel, all trademarks, corporate registrations (including that for Newton University Inc.) and certificates of authority held by or for any of the defendants.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that The Mail Box shall and is hereby ordered to cease providing any services to any of the defendants, including but not limited to mailbox, mail services, professional telephone answering, voice mail, receptionist services, directory listings and/or business address services.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that the defendants and any webhosters shall be and are hereby ordered to immediately take whatever steps as are necessary to ensure that the web pages or web sites operated, in whole or part, by the defendants cannot be accessed by the public.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendants Newton University Inc., Bill Chuck Lee, their agents, employees, successors and assigns, directly or indirectly, individually or in concert with others, or through any corporate or other device, be and are hereby permanently enjoined from:

- a. Providing any post-secondary instructional programs or courses leading to a degree;
- b. Acting as or holding themselves out as a “college, academy, institute, institution, university” or anything similar thereto;
- c. Failing to comply with Hawaii Rev. Stat. Chap. 446E or § 480-2(a) in any particulars; and

- d. Owning or operating any business in the State of Hawaii or claiming to operate under the laws of the State of Hawaii until all restitution, civil penalties and costs entered herein are fully satisfied.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that the Defendants, jointly and severally, shall implement a restitution program as follows. Defendants be and are hereby ordered to immediately compile a list of those students who enrolled in or graduated from Newton University subsequent to July 1, 1999 and to send a written offer of restitution to each such individual in the appropriate form attached as Exhibits 1 or 2. Defendants, jointly and severally, be and are hereby ordered, adjudged and decreed to make restitution to anyone requesting it within twenty days of the receipt of such a request.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, pursuant to Hawaii Rev. Stat. § 480-3.1, Defendant Newton University Inc. be and hereby is liable to Plaintiff for civil penalties in the amount of \$125,000.00.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, pursuant to Hawaii Rev. Stat. § 480-3.1, Defendant Bill Chuck Lee be and hereby is liable to Plaintiff for civil penalties in the amount of \$125,000.00.

There are no remaining claims against any party.

DATED: Honolulu, Hawaii, \_\_\_\_\_.

\_\_\_\_\_  
Judge of the above-entitled Court

Civil No. 02-1-2307-09 (VSM); State of Hawaii vs. Newton University Inc. et al.;  
DEFAULT JUDGMENT AGAINST DEFENDANTS NEWTON UNIVERSITY INC. AND  
BILL CHUCK LEE

- d. Owning or operating any business in the State of Hawaii or claiming to operate under the laws of the State of Hawaii until all restitution, civil penalties and costs entered herein are fully satisfied.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that the Defendants, jointly and severally, shall implement a restitution program as follows. Defendants be and are hereby ordered to immediately compile a list of those students who enrolled in or graduated from Newton University subsequent to July 1, 1999 and to send a written offer of restitution to each such individual in the appropriate form attached as Exhibits 1 or 2. Defendants, jointly and severally, be and are hereby ordered, adjudged and decreed to make restitution to anyone requesting it within twenty days of the receipt of such a request.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, pursuant to Hawaii Rev. Stat. § 480-3.1, Defendant Newton University Inc. be and hereby is liable to Plaintiff for civil penalties in the amount of \$125,000.00.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, pursuant to Hawaii Rev. Stat. § 480-3.1, Defendant Bill Chuck Lee be and hereby is liable to Plaintiff for civil penalties in the amount of \$125,000.00.

There are no remaining claims against any party.

DATED: Honolulu, Hawaii, DEC 17 2002

VICTORIA S. MARKS

Judge of the above entitled Court



Civil No. 02-1-2307-09 (VSM); State of Hawaii vs. Newton University Inc. et al.;  
DEFAULT JUDGMENT AGAINST DEFENDANTS NEWTON UNIVERSITY INC. AND  
BILL CHUCK LEE

Date

Name  
Address  
City, State Zipcode

Dear Graduate:

We are writing to inform you that during your course of studies, Newton University Inc. was operating in violation of Hawaii's laws relating to unaccredited degree granting institutions. By law, such violations are automatically considered unfair or deceptive business practices.

As a result of a court order, we are offering all graduates a full refund of the tuition paid conditioned only on return of the diploma. If you would like to accept this offer, please simply indicate that fact on the enclosed form and return it to us with the diploma. Your refund will be processed within twenty days from its receipt.

If you choose to accept this offer, you will be barred from seeking any other damages against the university. You should know that under Hawaii law, you have the right to bring your own lawsuit for damages and, in the event you prevail, you would be awarded not less than \$1,000 or threefold the damages, whichever is greater. You would also, in that event, be awarded your attorneys fees.

If you have any questions about this offer, you may call the State of Hawaii's Consumer Resource Center at (808) 586-2653.

Very truly yours,

Bill Chuck Lee, President  
Newton University Inc.

Enc.

Date

Name  
Address  
City, State Zipcode

Dear Graduate:

We are writing to inform you that during your course of studies, Newton University Inc. was operating in violation of Hawaii's laws relating to unaccredited degree granting institutions. By law, such violations are automatically considered unfair or deceptive business practices.

As a result of a court order, we are offering all graduates a full refund of the tuition paid conditioned only on return of the diploma. If you would like to accept this offer, please simply indicate that fact on the enclosed form and return it to us with the diploma. Your refund will be processed within twenty days from its receipt.

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If you have any questions about this offer, you may call the State of Hawaii's Consumer Resource Center at (808) 586-2653.

Very truly yours,

Bill Chuck Lee, President  
Newton University Inc.

Enc.

**EXHIBIT** 1

Date

Name  
Address  
City, State Zip Code

Dear Student:

We are writing to inform you that during your course of studies, Newton University Inc. was operating in violation of Hawaii's laws relating to unaccredited degree granting institutions. By, law such violations are automatically considered unfair or deceptive business practices.

As a result of a court order, we are offering all graduates a full refund of the tuition paid. If you would like to accept this offer, please simply indicate that fact on the enclosed form and return it to us. Your refund will be processed within twenty days from its receipt.

If you choose to accept this offer, you will be barred from seeking any other damages against the university. You should know that under Hawaii law, you have the right to bring your own lawsuit for damages and, in the event you prevail, you would be awarded not less than \$1,000 or threefold the damages, whichever is greater. You would also, in that event, be awarded your attorneys' fees.

If you have any questions about this offer, you may call the State of Hawaii's Consumer Resource Center at (808) 586-2653.

Very truly yours,

Bill Chuck Lee, President  
Newton University Inc.

Enc.

Date

Name

Address

City, State Zip Code

Dear Student:

We are writing to inform you that during your course of studies, Newton University Inc. was operating in violation of Hawaii's laws relating to unaccredited degree granting institutions. By, law such violations are automatically considered unfair or deceptive business practices.

As a result of a court order, we are offering all graduates a full refund of the tuition paid. If you would like to accept this offer, please simply indicate that fact on the enclosed form and return it to us. Your refund will be processed within twenty days from its receipt.

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If you have any questions about this offer, you may call the State of Hawaii's Consumer Resource Center at (808) 586-2653.

Very truly yours,

Bill Chuck Lee, President  
Newton University Inc.

Enc.

**EXHIBIT** 2