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Attorney for Plaintiff

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CIRCUIT COURT  
HONOLULU, HAWAII  
FILED  
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J. KUDO  
CLERK

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by its Office of )	CIVIL NO. 06-1-1233-06 RKOL
Consumer Protection, )	(Other Civil Action)
)	
)	FIRST AMENDED COMPLAINT AND
Plaintiff, )	SUMMONS
)	
)	
vs. )	
)	
)	
SAN FRANCISCO INTERNATIONAL )	
UNIVERSITY, INC., a Hawaii )	
for-profit corporation, )	
)	
Defendant. )	
)	
)	

**FIRST AMENDED COMPLAINT**

Plaintiff, for a cause of action against the above-named defendant,  
avers and alleges that:

**ALLEGATIONS COMMON TO ALL COUNTS**

1. This is an action brought by the Office of Consumer Protection of  
the State of Hawaii pursuant to Haw. Rev. Stat. Chapters 446E, 480 and 487

seeking to enjoin the defendant from engaging in certain acts or practices in violation of Hawaii's consumer protection laws and to obtain other and additional relief.

2. This court has subject matter jurisdiction over this case pursuant to Haw. Rev. Stat. §§ 480-21 and 603-21.5.

3. Defendant San Francisco International University, Inc. ("SFIU") is a Hawaii for-profit corporation.

4. The initial Annual Corporate Exhibit for SFIU is not yet due. It is therefore, impossible to determine from public records the identities and locations of the corporate officers for the corporate defendant.

5. Defendant SFIU maintains a website located at <http://www.sfiu.edu.com>.

6. Defendant SFIU is not now or has ever been accredited by a recognized accrediting agency or association recognized by the United States Secretary of Education.

7. Defendant SFIU is an "unaccredited institution" as that phrase is defined in Haw. Rev. Stat. § 446E-1.

8. Defendant SFIU has a "presence" in the State of Hawaii as that term is used in Haw. Rev. Stat. § 446E-1.

**COUNT I**  
**FAILURE TO HAVE AN OFFICE LOCATED IN HAWAII**

9. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 8 as though fully set forth herein.

10. Defendant SFIU has failed to have an office located in Hawaii in violation of Haw. Rev. Stat. § 446E-5(d).

11. Violations of Haw. Rev. Stat. § 446E-5(d) constitute *per se* violations of Haw. Rev. Stat. § 480-2(a).

**COUNT II**  
**FAILURE TO HAVE AN EMPLOYEE LOCATED IN HAWAII**

12. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 11 as though fully set forth herein.

13. Defendant SFIU has failed to have an employee located in Hawaii in violation of Haw. Rev. Stat. § 446E-5(d).

14. Violations of Haw. Rev. Stat. § 446E-5(d) constitute *per se* violations of Haw. Rev. Stat. § 480-2(a).

**COUNT III**  
**FAILURE TO HAVE TWENTY FIVE STUDENTS LOCATED IN HAWAII**

15. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 14 as though fully set forth herein.

16. Defendant SFIU has failed to have twenty-five students in Hawaii in violation of Haw. Rev. Stat. § 446E-5(d).

17. Violations of Haw. Rev. Stat. § 446E-5(d) constitute *per se* violations of Haw. Rev. Stat. § 480-2(a).

**COUNT IV**  
**FAILURE TO PROPERLY MAKE STATUTORY DISCLOSURES**

18. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 17 as though fully set forth herein.

19. SFIU has failed to properly and adequately disclose in its catalogs, promotional material and/or contracts for instruction of the fact that it is not accredited by an accrediting agency recognized by the United States Secretary of Education in violation of Haw. Rev. Stat. § 446E-2(a).

20. The publication of each and every catalog and promotional material and the execution of each contract for instruction that failed to properly and adequately disclose the fact that SFIU is and was not accredited by an accrediting agency recognized by the United States Secretary of Education constitutes a separate and independent violation of Haw. Rev. Stat. § 446E-2(a).

21. Alternatively, the provision to each student of such a catalog or promotional material or the execution of a contract for instruction that failed to properly and adequately disclose the fact that SFIU is and was not accredited by an accrediting agency recognized by the United States Secretary of Education constitutes a separate and independent violation of Haw. Rev. Stat. § 446E-2(a).

22. Violations of Haw. Rev. Stat. § 446E-2(a) constitute *per se* violations of Haw. Rev. Stat. § 480-2(a).

**COUNT V**  
**ILLEGAL INDICATIONS OR SUGGESTIONS OF STATE APPROVAL**

23. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 22 as though fully set forth herein.

24. In its website, SFIU has indicated or suggested that the State of Hawaii approved its operations.

25. Such indications or suggestions violate Haw. Rev. Stat. § 446E-5(a).

26. Violations of Haw. Rev. Stat. § 446E-5(a) constitute *per se* violations of Haw. Rev. Stat. § 480-2(a).

**COUNT VI**  
**ILLEGAL ACCEPTANCE OF PAYMENTS**

27. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 26 as though fully set forth herein.

28. During the course of its operations, SFIU accepted and received tuition payments and other fees from students despite not being in compliance with all of the requirements of Haw. Rev. Stat. Chapter 446E.

29. The acceptance of tuition payments and other fees from each student constitutes a separate and independent violation of Haw. Rev. Stat. § 446E-5(e).

30. Violations of Haw. Rev. Stat. § 446E-5(e) constitute *per se* violations of Haw. Rev. Stat. § 480-2(a).

**COUNT VI**  
**INJUNCTIVE RELIEF**

31. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 30 as though fully set forth herein.

32. Unless defendant is restrained and enjoined by this court from continuing to violate Haw. Rev. Stat. Chapter 446E and § 480-2(a) in the manner

described herein, it will continue to do so, irreparably harming and injuring the consuming public of the State of Hawaii.

WHEREFORE, plaintiff prays that this court:

1. Find, order, adjudge and declare that defendant's conduct, as alleged herein, violates the statutory provisions set forth above.

2. Issue a temporary restraining order, preliminary injunction and permanent injunction directing the Business Registration Division of the Department of Commerce and Consumer Affairs of the State of Hawaii to dissolve, terminate, revoke and/or cancel all trade names, trademarks, corporate registrations (including that for SFIU), certificates of authority held by or for the defendant.

3. Issue a temporary restraining order, preliminary injunction and permanent injunction enjoining the defendant, its agents, employees, successors and assigns, directly or indirectly, individually or in concert with others, or through any corporate or other device from any of the following:

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

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

4. Assess appropriate civil penalties against the defendant pursuant to Haw. Rev. Stat. § 480-3.1 and enter judgment in favor of plaintiff accordingly.

5. Award any consumers injured by the aforementioned violations full restitution, including pre and post judgment interest, against the defendant, pursuant to Haw. Rev. Stat. § 487-14 and the court's inherent authority and enter judgment accordingly.

6. Assess and award judgment in favor of plaintiff and against the defendant, for attorneys' fees, costs, costs of investigation, interest, and other expenses.

7. Award plaintiff such other relief as the court may deem just and equitable under the circumstances.

DATED: Honolulu, Hawaii, July 20, 2006.

  
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JEFFREY E. BRUNTON  
Attorney for Plaintiff

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for-profit corporation,	)	
	)	
Defendant.	)	
	)	
	)	

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SUMMONS

TO THE DEFENDANT

You are hereby summoned and required to serve upon plaintiff's attorney, whose address is stated above, an answer to the First Amended Complaint which is attached. This action must be taken within twenty days after service of this summons upon you, exclusive of the day of service.



If you fail to make your answer within the twenty day time limit, judgment by default will be taken against you for the relief demanded in the First Amended Complaint.

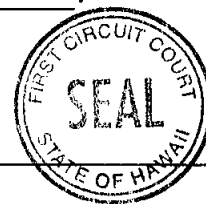
Pursuant to Rule 4(b) of the Hawaii Rules of Civil Procedure, this summons shall not be delivered between 10:00 p.m. and 6:00 a.m. on premises not open to the public, unless a judge of the district or circuit courts permits, in writing on the summons, personal delivery during those hours.

If you fail to obey this summons this may result in an entry of default and default judgment

In accordance with the Americans with Disabilities Act, and other applicable state and federal laws, if you require a reasonable accommodation for a disability, please contact the ADA Coordinator at the First Circuit Court Administration Office at PHONE NO. (808) 539-4399, FAX (808) 539-4322, or TTY (808) 539-4853, at least ten (10) working days prior to your hearing or appointment date.

DATED: Honolulu, Hawaii, JUL 20 2006

J. KUBO



Circuit Court Clerk