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Office of Consumer Protection
235 South Beretania Street, Room 801
Honolulu, Hawaii 96813-2419
Telephone: (808) 586-2636

Attorney for Plaintiff

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by its Office of Consumer Protection,)	CIVIL NO.01-1-2766-09 (DDD)
)	(Other Civil Action)
)	
Plaintiff,)	STIPULATED PERMANENT
)	INJUNCTION AND FINAL JUDGMENT
)	AGAINST DEFENDANT CURTIS E.
vs.)	SMITH
)	
)	
SOUTH PACIFIC UNIVERSITY, a Hawaii nonprofit corporation and CURTIS E. SMITH,)	SCF Date: None
Defendants.)	Trial Date: None
)	
)	

STIPULATED PERMANENT INJUNCTION
AND FINAL JUDGMENT AGAINST DEFENDANT CURTIS E. SMITH

Plaintiff and Defendant Curtis E. Smith (hereinafter "Defendant")
hereby stipulate and agree to the entry of this Stipulated Permanent Injunction and
Final Judgment against Defendant Curtis E. Smith 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. Chapters 446E, 480, 487 and 603 and venue is proper herein.

2. Plaintiff's Complaint state claims against Defendant upon whom relief may be granted under Hawaii Rev. Stat. Chapter 446E and Hawaii Rev. Stat. § 480-2(a).

3. Defendant, his officers, agents, servants, employees and those persons in active concert or participation with him 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. Defendant shall be responsible for making the substantive terms and conditions of this judgment known to their officers, directors, successors, managers, employees and those persons associated with Defendant who are responsible for implementing the obligations set forth in this judgment.

5. Defendant shall not effect any change in his 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. Defendant shall immediately cease conducting any and all business activities in the state of Hawaii, including the operation of any

unaccredited degree granting institution. Defendant further agrees that he 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, Defendant shall take whatever steps are necessary to voluntarily dissolve South Pacific University as provided for in Hawaii Rev. Stat. Chapter 415.

8. The Defendant, and/or any agent, employee or associate of Defendant, or any Host or Hosting Company for Defendant shall immediately take whatever steps may be necessary to ensure that the following Web pages or Web sites operated, in whole or in part, by the Defendant cannot be accessed by the public:

- (1) <http://www.southpacificuniv.edu>;
- (2) <http://www.southpacificuniv.org>; and
- (3) <http://www.southpacificuniv.info>

9. As used herein, "Internet" is an umbrella term used to describe the decentralized system that links computers around the world using a standardized set of communications protocols. The Internet includes, among other systems, the World Wide Web, electronic mail, newsgroups, telnet, file transfer protocol ("FTP"), Internet Relay Chat, and instant messaging. The "World Wide Web" or the "Web" is a system used on the Internet for cross-referencing and retrieving information.. A "Web site" is a set of electronic files or documents, usually a home page and subordinate pages, readily viewable on a computer by anyone with access to the Web and standard Internet browser software. A "Web page" is a single electronic document on the World Wide Web, readily viewable on

a computer by anyone with access to the Internet and standard Internet browser software. A "domain name" is a unique alpha-numeric name used to locate a particular organization or other entity on the Internet.

10. Defendant shall provide a full refund to any consumer as set forth herein. Upon entry of this judgment, Defendant shall notify all degree holders and degree applicants in writing that they are entitled to full restitution (conditioned on 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. Defendant shall 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 Defendant fails to make restitution as required herein, Defendant agrees, 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.

11. Defendant be and is hereby liable to pay the sum of Six Thousand Dollars (\$6,000.00) to the Office of Consumer Protection, State of Hawaii for civil penalties, attorneys' fees and costs of investigation pursuant to Hawaii Rev. Stat. § 480-3.1 as outlined herein. Payments shall be in the form of a cashier's check made payable to the "State of Hawaii". In the event Defendant fails to make timely payments as required herein, Defendant shall be liable for an additional One Thousand Dollars (\$1,000.00) in civil penalties payable immediately upon demand by Plaintiff.

12. Defendant hereby agrees that he shall, in addition to all other payments required by and in this stipulation, pay Plaintiff fifty per cent (50%) of any monies which he receives, or which he would be entitled to receive, from any third parties, based upon claims made arising out of the matters set forth in the complaint and any amendments thereto. 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 Defendant.

13. Defendant shall promptly provide to the Office of Consumer Protection upon 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 Defendant 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 Defendant'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 Hawaii Rev. Stat. Chap. 446E, 480 or 481A or any other law.

15. This stipulated judgment shall apply to Defendant, his agents, employees, successors and assigns. 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 Defendant should not be found in contempt. Nothing in this document shall bar Plaintiff from seeking, or the court from imposing, against Defendant 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. Defendant has been given the opportunity to consult with legal counsel regarding the effect and consequences of this judgment and hereby waives his right to legal counsel.

18. No claims remain against any party.

DATED: Honolulu, Hawaii, _____.

Judge of the above-entitled Court

Civil No. 01-1-2766-09 (DDD); State of Hawaii vs. South Pacific University and Curtis E. Smith; STIPULATED PERMANENT INJUNCTION AND FINAL JUDGMENT AGAINST DEFENDANT CURTIS E. SMITH

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 Defendant should not be found in contempt. Nothing in this document shall bar Plaintiff from seeking, or the court from imposing, against Defendant 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.

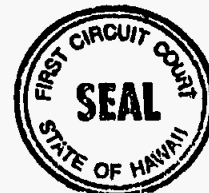
16. All payments required under this stipulated judgment shall be made by cashier's checks. Payments of civil penalties shall be payable to the Plaintiff.

17. Defendant has been given the opportunity to consult with legal counsel regarding the effect and consequences of this judgment and hereby waives his right to legal counsel.

18. No claims remain against any party.

DATED: Honolulu, Hawaii, AUG 19 2002.

DEXTER D. DEL ROSARIO



Judge of the above-entitled Court

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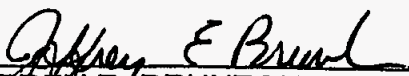
APPROVED AS TO FORM AND CONTENT AND AGREED:

JEFFREY E. BRUNTON
Attorney for Plaintiff

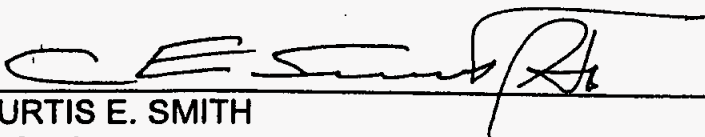
CURTIS E. SMITH
Defendant

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APPROVED AS TO FORM AND CONTENT AND AGREED:



JEFFREY E. BRUNTON
Attorney for Plaintiff



CURTIS E. SMITH
Defendant

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