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1ST CIRCUIT COURT  
STATE OF HAWAII  
FILED

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N. ANAYA  
CLERK

Attorney for Plaintiff

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by its Office of  
Consumer Protection,

Plaintiff,

vs.

ATLANTIC INTERNATIONAL  
UNIVERSITY, INC. a Hawaii  
corporation,

Defendant.

CIVIL NO. 02-1-1733-07  
(Other Civil Action)

COMPLAINT AND SUMMONS

Trial Date: None  
SCF Date: None

**COMPLAINT**

Plaintiff, for a cause of action against the above-named defendants, 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 Hawaii 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.

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IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

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	)	(Other Civil Action)
	)	
Plaintiff,	)	COMPLAINT AND SUMMONS
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_____	)	

**COMPLAINT**

Plaintiff, for a cause of action against the above-named defendants,  
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 Hawaii 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 Hawaii Rev. Stat. §§ 480-21 and 603-21.5.

3. Defendant Atlantic International University, Inc. ("AIU") is a Hawaii corporation.

4. AIU is not now and never has been accredited by a recognized accrediting agency or association recognized by the United States Secretary of Education.

5. AIU is an "unaccredited institution" as that phrase is defined in Hawaii Rev. Stat. § 446E-1.

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

**COUNT I**  
**FAILURE TO MAKE STATUTORY DISCLOSURES**

7. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 6 as though fully set forth herein.

8. AIU has failed to properly and adequately disclose in its promotional materials, specifically its agents' advertising, the fact that it is not fully accredited by any nationally recognized accrediting agency or association listed by the United States Secretary of Education in violation of Hawaii Rev. Stat. § 446E-2(a).

9. The publication of each and every promotional material that failed to properly and adequately disclose the fact that AIU is and was not fully accredited by

any nationally recognized accrediting agency or association listed by the United States Secretary of Education constitutes a separate and independent violation of Hawaii Rev. Stat. § 446E-2(a).

10. Alternatively, the number of days that each and every promotional material that failed to properly and adequately disclose the fact that AIU is and was not fully accredited by any nationally recognized accrediting agency or association listed by the United States Secretary of Education was viewable by the public constitutes a separate and independent violation of Hawaii Rev. Stat. § 446E-2(a).

11. Alternatively, each student that enrolled as a result of each and every promotional material that failed to properly and adequately disclose the fact that AIU is and was not fully accredited by any nationally recognized accrediting agency or association listed by the United States Secretary of Education constitutes a separate and independent violation of Hawaii Rev. Stat. § 446E-2(a).

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

**COUNT II**  
**SUGGESTIONS OF STATE LICENSING, APPROVAL OR REGULATION**

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

14. AIU has in its promotional materials, specifically its agent's advertising, indicated or suggested that the State of Hawaii licenses, approves of or regulates its operations in violation of Hawaii Rev. Stat. §446E-5(a).

15. The publication of each and every promotional material that indicated or suggested that the State of Hawaii licenses, approves of or regulates its operations constitutes a separate and independent violation of Hawaii Rev. Stat. § 446E-2(a).

16. Alternatively, the number of days that each and every promotional material that indicated or suggested that the State of Hawaii licenses, approves of or regulates its operations was viewable by the public constitutes a separate and independent violation of Hawaii Rev. Stat. § 446E-2(a).

17. Alternatively, each student that enrolled as a result of each and every promotional material that indicated or suggested that the State of Hawaii licenses, approves of or regulates its operations constitutes a separate and independent violation of Hawaii Rev. Stat. § 446E-2(a).

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

**COUNT III**  
**ILLEGAL ACCEPTANCE OF PAYMENTS**

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

20. AIU has accepted or received tuition payments or other fees on behalf of students despite not being in compliance with all of the requirements of Hawaii Rev. Stat. Chap. 446E.

21. The acceptance of such payment(s) or fee(s) from each student constitutes a separate and independent violation of Hawaii Rev. Stat. §446E-5(e).

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

**COUNT IV**  
**INJUNCTIVE RELIEF**

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

24. Unless Defendant is restrained and enjoined by this court from continuing to violate Hawaii Rev. Stat. Chap. 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 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. failing to properly and adequately disclose the fact that AIU is and was not fully accredited by any nationally recognized accrediting agency or association listed by the United States Secretary of Education;
- b. indicating or suggesting that the State of Hawaii licenses, approves of or regulates its operations; and

- c. failing to comply with Hawaii Rev. Stat. Chap. 446E or § 480-2(a) in any other particulars.

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

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

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

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

DATED: Honolulu, Hawaii, July 19, 2002.


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JEFFREY E. BRUNTON  
Attorney for Plaintiff

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

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

DATED: Honolulu, Hawaii, July 19, 2002.

  
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JEFFREY E. BRUNTON  
Attorney for Plaintiff