

MICHAEL J. S. MORIYAMA #7003  
Office of Consumer Protection  
State of Hawaii  
235 South Beretania Street, Suite 801  
Honolulu, Hawaii 96813-2419  
Telephone: (808) 586-2636

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H. CHING  
CLERK

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. 05-1-0516-03 (EEH)
	)	(Other Civil Action)
	)	
Plaintiff,	)	DEFAULT AND FINAL JUDGMENT
	)	AGAINST DEFENDANT PACIFIC
	)	WESTERN UNIVERSITY (HAWAII), INC.
vs.	)	
	)	
	)	
PACIFIC WESTERN UNIVERSITY	)	
(HAWAII), INC., a Hawaii corporation	)	
dba Pacific Western University,	)	
American Pacwest International	)	
University and APIU,	)	
	)	
Defendant.	)	
	)	

DEFAULT AND FINAL JUDGMENT AGAINST  
DEFENDANT PACIFIC WESTERN UNIVERSITY (HAWAII), INC.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that default and final judgment be granted as follows:

1. Judgment is found in favor of Plaintiff and against Defendant Pacific Western University (Hawaii), Inc. ("Defendant PWU(HI)") upon Count I of the First Amended Complaint in that Defendant PWU(HI) violated Haw. Rev. Stat.

§§ 446E-2(a) and 480-2 by failing to properly and adequately disclose in its website the fact that Defendant PWU(HI) was not accredited by an accrediting agency recognized by the United States Secretary of Education from March 29, 2001 to March 20, 2006, a period of 1,817 days in total;

2. Judgment is found in favor of Defendant PWU(HI) and against Plaintiff upon Count II of the First Amended Complaint;

3. Judgment is found in favor of Plaintiff and against Defendant PWU(HI) upon Count III of the First Amended Complaint in that Defendant PWU(HI) violated Haw. Rev. Stat. §§ 446E-5(d) and 480-2(a) by failing to have an office for its exclusive use in Hawaii from March 29, 2001 to March 20, 2006, a period of 1,817 days;

4. Judgment is found in favor of Plaintiff and against Defendant PWU(HI) upon Count IV of the First Amended Complaint in that Defendant PWU(HI) violated Haw. Rev. Stat. §§ 446E-5(d) and 480-2(a) by failing to have twenty-five (25) enrolled students in Hawaii in each academic year of its operation for the purpose of performing course requirements that were part of the students' educational curriculum during the period from March 29, 2001 to March 20, 2006;

5. Judgment is found in favor of Plaintiff and against Defendant PWU(HI) upon Count V of the First Amended Complaint in that Defendant PWU(HI) violated Haw. Rev. Stat. §§ 446E-2(c) and 480-2(a) by failing to maintain true and accurate records of student enrollment, courses, fees and matriculation rates

required by Haw. Rev. Stat. § 446E-2(c) from March 29, 2001 to March 20, 2006, a period of 1,817 days;

6. Judgment is found in favor of Plaintiff and against Defendant PWU(HI) upon Count VI of the First Amended Complaint in that Defendant PWU(HI) violated Haw. Rev. Stat. §§ 446E-2(c) and 480-2(a) by failing to produce records to Plaintiff as required by Haw. Rev. Stat. § 446E-2(c); Plaintiff made its demand for said records through Plaintiff's First Request for Production of Documents and Things to Defendant Pacific Western University (Hawaii), Inc. served on May 18, 2005;

7. Judgment is found in favor of Plaintiff and against Defendant PWU(HI) upon Count VII of the First Amended Complaint in that Defendant PWU(HI) violated Haw. Rev. Stat. §§ 446E-5(e) and 480-2(a) by unlawfully accepting or receiving tuition and other fee payments from or on behalf of students while it failed to comply with all requirements of Haw. Rev. Stat. Chapter 446E during the period from March 29, 2001 to March 20, 2006, a period of 1,817 days;

8. Judgment is found in favor of Plaintiff and against Defendant PWU(HI) upon Count VIII of the First Amended Complaint in that Defendant PWU(HI) violated Haw. Rev. Stat. §§ 446E-5(d) and 480-2(a) by unlawfully issuing degrees without having an office located in Hawaii and without having twenty-five (25) enrolled students in Hawaii during the period from March 29, 2001 to March 20, 2006, a period of 1,817 days;

9. Judgment is found in favor of Plaintiff and against Defendant PWU(HI) upon Count IX of the First Amended Complaint in that Pursuant to Haw. Rev. Stat. §§ 480-15 and 487-15, Defendant PWU(HI), its agents, employees, successors and assigns, directly or indirectly, individually or in concert with others, or through any corporate or other device, shall be and hereby is permanently enjoined from:

a. Failing to comply with Haw. Rev. Stat. Chapter 446E or § 480-2(a) in any particulars;

b. Accepting or receiving any tuition and/or fee payments from any person unless it complies with all provisions of Haw. Rev. Stat. Chapter 446E;

c. Accepting or receiving any tuition and/or fee payments from any person until it voids all degrees it issued during the period from and including March 29, 2001 to March 20, 2006, except for those degrees subsequently ratified by students in writing, and returns any and all tuition and/or fees it accepted or received from or on behalf of students during the period from and including March 29, 2001 to March 20, 2006;

d. Accepting or receiving any tuition and/or fee payments from any person until it pays the civil penalty of \$500,000.00 awarded herein in full to Plaintiff;

e. Issuing any degrees unless it complies with all provisions of Haw. Rev. Stat. Chapter 446E;

f. Issuing any degrees until it voids all degrees it issued during the period from and including March 29, 2001 to March 20, 2006, except for those degrees subsequently ratified by students in writing, and returns any and all tuition and/or fees it accepted or received from or on behalf of students during the period from and including March 29, 2001 to March 20, 2006;

g. Issuing any degrees until it pays the civil penalty of \$500,000.00 awarded herein in full to Plaintiff;

h. Directly or indirectly transferring, selling, alienating, liquidating, encumbering, pledging, loaning, assigning, concealing, dissipating, converting, withdrawing or otherwise disposing of assets, funds, real property or other property, wherever located, owned or controlled by or held for the benefit of, in whole or in part, or in the possession of Defendant PWU(HI), except as ordered by the Court;

i. Maintaining, using or soliciting payment of tuition and/or fees through any websites including but not limited to websites at [www.apiu.ws](http://www.apiu.ws), [www.open-universities.com](http://www.open-universities.com), [www.warwicks.com](http://www.warwicks.com) and [www.imed-pwu.com](http://www.imed-pwu.com) unless it complies with all provisions of Haw. Rev. Stat. Chapter 446E;

j. Maintaining, using or soliciting payment of tuition and/or fees through any websites including but not limited to websites at [www.apiu.ws](http://www.apiu.ws), [www.open-universities.com](http://www.open-universities.com), [www.warwicks.com](http://www.warwicks.com) and [www.imed-pwu.com](http://www.imed-pwu.com) until it voids all degrees it issued during the period from and including March 29, 2001 to March 20, 2006, except for those degrees subsequently ratified by students in

writing, and returns any and all tuition and/or fees it accepted or received from or on behalf of students during the period from and including March 29, 2001 to March 20, 2006, unless the contract or agreement related to any said payment of tuition or fees is subsequently ratified by students in writing; and

k. Maintaining, using or soliciting payment of tuition and/or fees through any websites including but not limited to websites at [www.apiu.ws](http://www.apiu.ws), [www.open-universities.com](http://www.open-universities.com), [www.warwicks.com](http://www.warwicks.com) and [www.imed-pwu.com](http://www.imed-pwu.com) until it pays the civil penalty of \$500,000.00 awarded herein in full to Plaintiff;

10. The State of Hawaii's Commissioner of Securities shall dissolve Defendant PWU(HI) (subsequently known as American Pacwest International University, Inc.) immediately upon receiving a copy of this judgment;

11. Pursuant to Haw. Rev. Stat. 480-12, any and all written or oral contracts or agreements entered into between Defendant PWU(HI) and students are in violation of Haw. Rev. Stat. § 480-2 and are void and unenforceable unless subsequently ratified by students in writing;

12. Pursuant to Haw. Rev. Stat. § 480-3.1, Defendant PWU(HI) shall be and hereby is liable to pay Plaintiff a civil penalty of FIVE HUNDRED THOUSAND AND 00/100 DOLLARS (\$500,000.00) in total; Said \$500,000.00 civil penalty shall include and/or supercede any and all earlier awards of civil penalty assessed against Defendant PWU(HI) in this case;

13. Pursuant to Haw. Rev. Stat. § 487-14 and the Court's inherent authority, Defendant PWU(HI) shall pay any and all persons from which Defendant

PWU(HI) received or accepted tuition and/or fees during the period from and including March 29, 2001 through March 20, 2006 restitution in the amount of said tuition and fees paid to Defendant PWU(HI) unless the contract or agreement related to any said payment of tuition or fees is subsequently ratified by students in writing.

DATED: Honolulu, Hawaii, MAY 0 2006.

EDEN ELIZABETH

JUDGE OF THE ABOVE-ENTITLED COURT