



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
Office of Consumer Protection  
**News Release**

**NEIL ABERCROMBIE**  
GOVERNOR

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**FOR IMMEDIATE RELEASE: July 23, 2013**

**U. S. BANKRUPTCY COURT APPROVES SETTLEMENT OF CONSUMERS' CLAIMS  
AGAINST OPERATOR OF A DEFUNCT MAUI BUSINESS**  
Seven Maui Consumers Entitled to \$171,000 in Restitution

HONOLULU – The United States Bankruptcy Court for the District of Hawaii recently approved a settlement between the Department of Commerce and Consumer Affairs' ("DCCA") Office of Consumer Protection ("OCP") and the Bankruptcy Trustee in the personal bankruptcy case filed by Mary Virginia Parsons ("Parsons"), the operator of a Maui business called Aloha Package Homes, LLC ("APH").

The Bankruptcy Court approved restitution and prejudgment interest to seven Maui residents in the sum of \$171,261.42; a total of \$24,000 in civil fines and penalties in favor of the State; and \$9,286.15 in attorneys' fees and costs to the State.

Parsons is claimed to have sold the consumers prepackaged homes through APH and then failed to complete their contracts. The affected consumers ran into problems after requesting refunds from APH and Parsons. OCP conducted an investigation and determined that APH and Parsons had engaged in unfair and deceptive acts and practices in violation of several state consumer protection statutes.

APH and Parsons:

- Failed to promptly acknowledge requests from consumers to cancel their contracts
- Failed to promptly honor cancellation requests
- Required a written reason for a cancellation when none was necessary
- Claimed cancellation could only be by agreement, and then refused to agree to cancellation
- Imposed unwritten preconditions before any cancellation became effective
- Unreasonably delayed the cancellation process
- Treated the cancellation of a contract as a breach of that contract by the consumer

- Demanded that consumers pay liquidated damages
- Made misleading and deceptive representations about refunds

“OCP is very pleased that we were able to help these Maui consumers bring closure to this matter,” OCP Executive Director Bruce Kim said. “This case serves as a reminder that before signing a contract and paying significant fees in advance to a business that you haven’t dealt with before, be sure to check them out first.”

The State is in contact with the consumers affected by this ruling.

Individuals can check a business online at DCCA's website at [http://web.dcca.hawaii.gov/OCP/OCP\\_NAMES/OCP\\_Disclaimer.aspx](http://web.dcca.hawaii.gov/OCP/OCP_NAMES/OCP_Disclaimer.aspx) to see if a complaint history exists or go to the Better Business Bureau’s website for more information.

The Office of Consumer Protection was represented in the bankruptcy case by OCP staff attorney James F. Evers.

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