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Attorney for Petitioner

1ST CIRCUIT COURT  
STATE OF HAWAII  
FILED

1999 OCT 22 AM 8:58

R. HIGA  
CLERK

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by STEPHEN H. )  
LEVINS, as Acting Executive Director )  
of the Office of Consumer Protection, )

Petitioner, )

vs. )

ST. MARY'S SCHOOL OF MEDICINE )  
DBA ST. MARY'S SCHOOL OF )  
MEDICINE OF THE SOUTH PACIFIC, )

Respondent. )  
\_\_\_\_\_ )

S. P. NO. 99-0590  
(Special Proceeding)

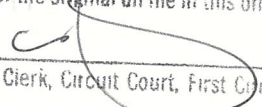
APPLICATION FOR ENTRY OF  
CONSENT JUDGMENT; STATEMENT  
OF ALLEGED VIOLATIONS OF LAW  
AND REASONS FOR ENTERING INTO  
CONSENT JUDGMENT; CONSENT  
JUDGMENT

APPLICATION FOR ENTRY OF CONSENT JUDGMENT

Petitioner State of Hawaii, by Stephen H. Levins, as Acting Executive Director of the Office of Consumer Protection (hereinafter "Petitioner"), by and through its attorney, Lisa P. Tong, and Respondent St. Mary's School of Medicine of the South Pacific (hereinafter "Respondent"), by and through its attorney, as applicants herein, request the entry of a Consent Judgment and in support of this request state that:

1. Petitioner is a body sovereign and politic.

do hereby certify that this is a full, true and correct copy of the original on file in this office.

  
Clerk, Circuit Court, First Circuit

2. This application is made pursuant to Haw. Rev. Stat. Chapters 480, 446E and 487 relating to the prohibition against unfair or deceptive acts or practices in the conduct of any trade or commerce and the powers of the Office of Consumer Protection.

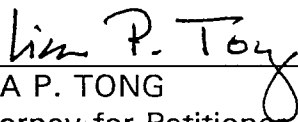
3. This Court has jurisdiction over this matter pursuant to §§ 480-21 and -22 and Chapter 603, Haw Rev. Stat.

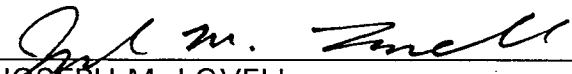
4. Respondent St. Mary's School of Medicine of the South Pacific (hereinafter Respondent) is a corporation, duly incorporated in the Cook Islands and is doing business in the State of Hawaii.

5. The matters stated in the Statement of Alleged Violations of Law attached hereto, occurred in the City and County of Honolulu and throughout Respondent's operations in the State of Hawaii.

6. Respondent having been given the opportunity to consult with counsel of its choice regarding the effect and consequences of entering into this Consent Judgment and having agreed to the entry of this Consent Judgment.

Dated: Honolulu, Hawaii, October 20, 1999.

  
\_\_\_\_\_  
LISA P. TONG  
Attorney for Petitioner

  
\_\_\_\_\_  
JOSEPH M. LOVELL

Attorney for Respondent  
ST. MARY'S SCHOOL OF MEDICINE  
DBA ST. MARY'S SCHOOL OF  
MEDICINE OF THE SOUTH PACIFIC

S.P. NO. \_\_\_\_\_  
State v. ST. MARY'S SCHOOL OF MEDICINE DBA ST. MARY'S SCHOOL OF  
MEDICINE OF THE SOUTH PACIFIC, APPLICATION FOR ENTRY OF CONSENT  
JUDGMENT

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

|                                         |                                 |
|-----------------------------------------|---------------------------------|
| STATE OF HAWAII, by STEPHEN H. )        | S. P. NO. _____                 |
| LEVINS, as Acting Executive Director )  | (Special Proceeding)            |
| of the Office of Consumer Protection, ) |                                 |
|                                         | )                               |
| ) Petitioner,                           | STATEMENT OF ALLEGED            |
|                                         | ) VIOLATIONS OF LAW AND REASONS |
| ) vs.                                   | ) FOR ENTERING INTO CONSENT     |
|                                         | ) JUDGMENT                      |
|                                         | )                               |
| ST. MARY'S SCHOOL OF MEDICINE )         |                                 |
| DBA ST. MARY'S SCHOOL OF )              |                                 |
| MEDICINE OF THE SOUTH PACIFIC, )        |                                 |
|                                         | )                               |
| ) Respondent.                           |                                 |
| _____ )                                 |                                 |

STATEMENT OF ALLEGED VIOLATIONS OF LAW AND REASONS FOR ENTERING INTO CONSENT JUDGMENT

Petitioner State of Hawaii, by Stephen H. Levins, as Acting Executive Director of the Office of Consumer Protection (hereinafter "Petitioner") by and through its attorney, Lisa P. Tong, files this Statement of Alleged Violations of Law and reasons for entering into Consent Judgment, pursuant Haw. Rev. Stat. § 480-22.

WHEREAS, Respondent St. Mary's School of Medicine dba St. Mary's School of Medicine of the South Pacific (hereinafter Respondent) is a corporation, duly incorporated in the Cook Islands and is doing business in Hawaii; and

WHEREAS, at all times relevant herein, Respondent operated a medical school in Hawaii; and

WHEREAS, at all times relevant herein, Respondent was not accredited by the Liaison Committee on Medical Education; and

WHEREAS, an investigation by the Office of Consumer Protection disclosed Respondent's operations may be prohibited by Haw. Rev. Stat. Chapter 446E and §480-2; and

WHEREAS, without any admission of wrongdoing by Respondent, Petitioner and Respondent agree to the entry of a Consent Judgment in the form and terms set forth below so that the ends of justice may be served.

1. Pursuant to Haw. Rev. Stat. §§ 480-2 and 487-15, Respondents their officers, agents, servants, employees and those persons in active concert or participation with them who receive actual notice of the injunctive order by personal or other service, are enjoined from:

a. Failing to comply with Haw. Rev. Stat. Chapters 446E and 480-2.

b. Conducting business or otherwise operating a medical school in the State of Hawaii in violation of Haw. Rev. Stat. Chapter 446E.

2. Pursuant to Haw. Rev. Stat. §§ 480-2 and 487-15, Respondent its officers, agents, servants, employees and those in active concert or participation with them who receive actual notice of the order by personal or other service, must:

a. Make restitution of tuition, application and matriculation fees to students who enrolled or attended St. Mary's School of Medicine in Hawaii from July 1, 1999. Students who continue to attend St. Mary's

School of Medicine or who transfer credits earned would not be entitled to restitution.

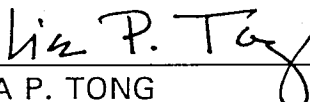
Restitution payments for the September 1999 trimester shall be made on or before October 26, 1999.

Restitution payments for the May 1999 trimester shall be made on or before December 1, 1999.


3. Civil Penalties.

a. Pursuant to Haw. Rev. Stat. § 480-3.1, a civil penalty of \$50,000 is awarded to Petitioner as against Respondent St. Mary's School of Medicine. The penalties shall be suspended on the condition that Respondent abides by the terms and conditions of this Consent Judgment.

DATED: Honolulu, Hawaii, October 20, 1999.

  
\_\_\_\_\_  
LISA P. TONG  
Attorney for Petitioner

APPROVED AS TO FORM:

  
\_\_\_\_\_  
JOSEPH M. LOVELL  
Attorney for Respondent  
ST. MARY'S SCHOOL OF MEDICINE  
DBA ST. MARY'S SCHOOL OF  
MEDICINE OF THE SOUTH PACIFIC

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

STATE OF HAWAII, by STEPHEN H. )  
LEVINS, as Acting Executive Director )  
of the Office of Consumer Protection, )

Petitioner, )

vs. )

ST. MARY'S SCHOOL OF MEDICINE )  
DBA ST. MARY'S SCHOOL OF )  
MEDICINE OF THE SOUTH PACIFIC, )

Respondent. )  
\_\_\_\_\_ )

S. P. NO. \_\_\_\_\_  
(Special Proceeding)

CONSENT JUDGMENT

CONSENT JUDGMENT

Petitioner State of Hawaii, by Stephen H. Levins, as Acting Executive Director of the Office of Consumer Protection (hereinafter "Petitioner"), by and through its attorney, Lisa P. Tong, having filed a Statement of Alleged Violations of Law and Reasons for Entering Into Consent Judgment, and Respondent St. Mary's School of Medicine dba St. Mary's School of Medicine of the South Pacific (hereinafter "Respondent"), having consented to the entry of this Consent Judgment prior to the filing of a complaint, and good cause appearing therefore,

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:**

1. This Court has jurisdiction of this matter and the parties hereto pursuant to Haw. Rev. Stat. Chapters 480, 487 and 603.

2. Petitioner's Statement of Alleged Violations of Law and Reasons for Entering into Consent Judgment states claims upon which relief may be granted under Haw. Rev. Stat. Chapters 480 and 487.

3. Respondent has been given the opportunity to consult with counsel of its choice regarding the effect and consequences of entering into this Consent Judgment and has agreed to the entry of this Consent Judgment.

4. Pursuant to Haw. Rev. Stat. §§ 480-2 and 480-15, Respondent, its officers, agents, servants, employees and those persons in active concert or participation with it who receive actual notice of the injunctive order, are enjoined from:

a. Failing to comply with Haw. Rev. Stat. Chapters 446E and 480-2.

b. Conducting business or otherwise operating a medical school in the State of Hawaii in violation of Haw. Rev. Stat. Chapters 446E.

5. Pursuant to Haw. Rev. Stat. §§ 480-2 and 487-15, Respondents their officers, agents, servants, employees and those in active concert or participation with them who receive actual notice of the order by personal or other service, must:

a. Make restitution of tuition, application and matriculation fees to students who enrolled or attended St. Mary's School of Medicine in Hawaii from July 1, 1999. Students who continue to attend St. Mary's School of Medicine or who transfer credits earned would not be entitled to restitution.

Restitution payments for the September 1999 trimester shall be made on or before October 26, 1999.

Restitution payments for the May 1999 trimester shall be made on or before December 1, 1999.

6. Civil Penalties.

a. Pursuant to Haw. Rev. Stat. § 480-3.1, a civil penalty of \$50,000 is awarded to Petitioner as against Respondent St. Mary's School of Medicine. The penalty shall be suspended on the condition that Respondent St. Mary's abides by the terms and conditions of this Consent Judgment.

7. Each party shall bear its own attorneys' fees and costs.

8. Under no circumstances shall this Consent Judgment 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 Respondent in connection with any selling, advertising or promotion of any product or service.

9. This Consent Judgment shall apply to the Respondent, its agents, successors and assigns.

10. Nothing in this Consent Judgment shall be construed to permit or make lawful any act, practice, or course of conduct prohibited or made unlawful by Chapters 480, 446E and 487, Haw. Rev. Stat., or any other law.

11. This Court shall retain jurisdiction of this case, and if it shall be made to appear to the court that there has been a violation of any of the terms of

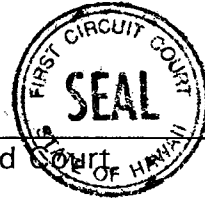
this Consent Judgment, upon petition, this Court may enter an order to show cause why Respondent should not be found in contempt.

12. All of the provisions of this Consent Judgment shall become final sixty (60) days from the date of entry, unless during such sixty (60) day period, any interested party as said term is defined by Haw. Rev. Stat. § 480-22 has filed verified exceptions to the form or substance thereof. In the event such verified exceptions are filed, this Consent Judgment shall not become effective and the Court, upon a full hearing thereof, may approve, refuse to enter, or modify the Consent Judgment.

DATED: Honolulu, Hawaii, OCT 22 1999.

KEVIN S.C. CHANG

Judge of the Above-Entitled Court



APPROVED AS TO FORM AND CONTENT:

*Lisa P. Tong*

LISA P. TONG  
Attorney for Petitioner

ST. MARY'S SCHOOL OF MEDICINE  
DBA ST. MARY'S SCHOOL OF  
MEDICINE OF THE SOUTH PACIFIC

By   
DWANE L. HUBBART

Its President  
Respondent

S.P. NO. \_\_\_\_\_

State v. St. Mary's School of Medicine dba St. Mary's School of Medicine of the  
South Pacific; CONSENT JUDGMENT