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8

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 FOR THE COUNTY OF LOS ANGELES  
11 SOUTHEAST DISTRICT

12 THE PEOPLE OF THE STATE OF  
13 CALIFORNIA,

14 Plaintiff,

15 v.

16 CALIFORNIA ALTERNATIVE HIGH  
SCHOOL, a California corporation;  
17 CALIFORNIA ALTERNATIVE ADULT HIGH  
SCHOOL, a California corporation; WEST  
18 SIDE EDUCATION CORPORATION, a  
California corporation; DANIEL A.D. GOSSAI  
19 a.k.a. DEONAUTH GOSSAI, an individual;  
JANET H. GOSSAI, an individual; DAVID L.  
20 SOTO, an individual; NOEL BRITO, an  
individual; FABRICIO SANDOVAL, an  
21 individual; JANIRA JACOBS, an individual; and  
DOES 1 THROUGH 100, inclusive,

22 Defendants.  
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CASE NO. VC042820

**STIPULATION FOR PERMANENT  
INJUNCTION AGAINST JANET H.  
GOSSAI**

1 IT IS HEREBY STIPULATED by Plaintiff, the People of the State of California  
2 (“People” or “Plaintiff”), through its attorney, Attorney General Bill Lockyer, by Deputy Attorney  
3 General Michele R. Van Gelderen, and by Janet H. Gossai (“Defendant”), through her counsel,  
4 Scott S. Furstman, with each party waiving the right to an adjudicative trial, without the taking of  
5 evidence on any issue of fact or law, and without Defendant admitting any liability or wrongdoing,  
6 that:

7 1. Pursuant to Business and Professions Code, sections 17203 and 17535, Defendant  
8 and her agents, employees, officers, representatives, successors, partners, assigns, and those  
9 acting in concert or in participation with her, are enjoined from committing or performing the  
10 following acts:

- 11 a Offering any service, course, counseling, materials or any other assistance  
12 whatsoever that Defendant represents or implies will result in the award of  
13 a high school diploma.
- 14 b. Offering any service, course, counseling, materials or any other assistance  
15 whatsoever that Defendant represents or implies will assist consumers in  
16 high school completion. Use of the words “high school” or “diploma” in  
17 the name of any corporation, dba, organization or other entity, or in any  
18 promotional materials, advertising materials, or course materials in any  
19 manner whatsoever constitutes a violation of this Stipulation.
- 20 c. Offering any service, course, counseling, materials or any other assistance  
21 whatsoever that Defendant represents or implies will substantially assist  
22 consumers in passing the GED.
- 23 d. Offering any service, course, counseling, materials or any other assistance  
24 whatsoever that Defendant represents or implies will assist or otherwise  
25 qualify consumers with college admission or obtaining financial aid at the

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post-secondary level, except that Defendants may work on behalf of a college or university to recruit students for attendance at that college or university.

e. Offering any service, course, counseling, materials or any other assistance without disclosing in clear and conspicuous language on all promotional materials, advertising materials, or course materials that Defendant's corporation, dba, organization or other entity is not accredited, unless Defendants offer proof to Plaintiff that the corporation, dba, organization or other entity is accredited by an accrediting agency that is recognized under the Generally Accepted Accrediting Practices, the United States Department of Education or the Council for Higher Education Accreditation.

f. Representing or implying that Defendant's service, course, counseling, materials or other assistance will: result in the award of a high school diploma; constitute substantial preparation for high school or college; constitute substantial preparation for the GED; or will assist consumers in qualifying for financial aid.

g. Representing or implying that the person or entity offering Defendant's service, course, counseling, materials or assistance is legally constituted, recognized, accepted, approved of, authorized, endorsed, evaluated, associated with, affiliated with and/or holds a permit issued by the local, State or Federal government, and/or by any agency, subdivision, commission, board, department or other entity of the local, State or Federal government.

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1           h.       Accepting money or other consideration from any consumer to whom  
2                    Defendant has made any of the above representations, or to whom  
3                    Defendant has not made the disclosures required by this Stipulation.

4           2.       Defendant guarantees the obligation of defendants Daniel Gossai, California  
5 Alternative High School and California Alternative Adult High School (collectively, the “Co-  
6 Defendants”) to pay to the California Attorney General’s Office the amount of \$225,000 as set  
7 forth in the stipulated Judgment against Co-Defendants, at paragraphs 3, 4 and 5 of that  
8 Judgment, a true and correct copy of which is attached hereto as Exhibit A. In the event that Co-  
9 Defendants fail to pay the amounts set forth in paragraphs 3, 4 and 5 within 90 days of entry of  
10 that Judgment, then the unpaid portion of that obligation immediately becomes due and owing by  
11 Defendant. Interest will accrue at the legal rate as allowed by law.

12           3.       Defendant’s obligation pursuant to this Stipulation is secured by the following  
13 collateral: a deed of trust from Defendant to Plaintiff on real property owned by Defendant Janet  
14 Gossai and located in the County of Los Angeles, State of California, commonly known as 6462  
15 Parklynn Drive in the city of Rancho Palos Verdes, in the State of California 90275, which is  
16 legally described as:

17                    LOT 19 OF TRACT 28457, IN THE CITY OF RANCHO PALOS VERDES, AS PER  
18                    MAP RECORDED IN BOOK 769, PAGES 32 AND 33 OF MAPS, IN THE OFFICE OF  
19                    THE COUNTY RECORDER OF SAID COUNTY.

20 Such deed of trust shall be signed by Defendant and given to Plaintiff contemporaneously with the  
21 signing of this Stipulation.

22           4.       Upon the Co-Defendants’ failure to pay the amounts set forth in the Judgment, at  
23 which time the unpaid amount becomes due and owing by Defendant, Plaintiff may exercise any  
24 and all of the powers set forth in the contemporaneously-executed deed of trust, including the  
25 judicial or non-judicial foreclosure on the collateral as defined in paragraph 3 above.

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1           5.       Defendant's obligations under this Stipulation and the contemporaneously-  
2 executed deed of trust are not dischargeable in bankruptcy.

3           6.       Within ten days of satisfaction of the amounts owed in paragraphs 3, 4 and 5 of the  
4 Judgment, Plaintiff will sign a reconveyance of the deed of trust and deliver it to Defendant's  
5 attorney, Scott S. Furstman, Esq.

6           7.       Defendant submits to the jurisdiction of this Court for the purposes of any action  
7 or proceeding to enforce the provisions of this Stipulation.

8           8.       Defendant shall provide, within twenty (20) days of receipt of a request,  
9 information requested by Plaintiff for the purpose of enabling Plaintiff to determine compliance  
10 with the provisions of this Stipulation.

11          9.       Without waiving any applicable privileges, Defendant shall cooperate fully with  
12 Plaintiff in any civil, criminal, or administrative action against any individuals who participated in  
13 the conduct alleged in the complaint in this matter, including such actions against the other  
14 defendants in the above-captioned case.

15          10.      This Stipulation is a final resolution and disposition of all those matters pleaded in  
16 the Complaint on file herein against Defendant. The Stipulation shall have a res judicata effect  
17 barring Plaintiff from bringing any new civil action alleging any violation of Business and  
18 Professions Code sections 17200 et seq. or 17500 et seq., based upon the facts alleged in this  
19 Complaint, against Defendant.

20          11.      Defendant releases any and all claims to any funds of Defendant held by the  
21 Receiver and further releases and forever discharges the Receiver, any and all current and/or  
22 former students of CAHS or CAAHS, the State of California, and the County of Los Angeles and  
23 their officers, employees, agents, attorneys, forensic accountants, agencies, departments, boards,  
24 bureaus, or commissions from any and all claims, demands, and causes of action, of whatever kind  
25 or nature, whether known or unknown. Defendant agrees to waive and relinquish, to the fullest  
26 extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil  
27 Code, which provides:

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1 A general release does not extend to claims which the creditor does not know or suspect  
2 to exist in his or her favor at the time of executing the release, which if known by him or  
3 her must have materially affected his or her settlement with the debtor.

4 12. Upon satisfaction of the Judgment, all claims on bank accounts and real property,  
5 including all lis pendens previously recorded, will be released.

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7 DATED: March 18, 2005

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9 By: \_\_\_\_\_  
10 JANET H. GOSSAI

11 DATED: \_\_\_\_\_  
12 FURSTMAN

LAW OFFICES OF SCOTT S.

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14 By: \_\_\_\_\_  
15 SCOTT S. FURSTMAN  
16 Counsel for Defendants Janet H. Gossai, California  
17 Alternative High School, and California Adult  
18 Alternative High School

19 DATED: \_\_\_\_\_

20 BILL LOCKYER,  
21 Attorney General  
22 ALBERT NORMAN SHELDEN,  
23 Acting Senior Assistant Attorney General  
24 LAURIE R. PEARLMAN,  
25 MICHELE R. VAN GELDEREN,  
26 Deputy Attorneys General

27 By: \_\_\_\_\_  
28 MICHELE R. VAN GELDEREN  
Deputy Attorney General, Attorneys for Plaintiff,  
the People of the State of California