

Summary of Preliminary Injunction In *Kashmiri v. Regents*.

On August 12, 2004, the San Francisco Superior Court entered an Order Granting Preliminary Injunction against the University in a lawsuit entitled *Kashmiri, et al. v. Regents of the University of California*. The lawsuit, filed in July 2003, challenges decisions by the University's Board of Regents to raise certain student fees, including the Fee for Selected Professional School Students (also known as the "professional school fee" or the "professional degree fee") that is one component of total fees paid by students in the University's professional schools.

The Order prohibits the University "(1) from enforcing or collecting any increases in the professional degree fee (also known as the fee for selected professional school students) during the 2004-2005 academic year above the amount that each student was charged during the 2003-04 academic year; and (2) from taking action against any student in the Professional Student Subclass [the following paragraph describes who is, and who is not, part of this "Subclass" and therefore affected by the Superior Court's Order] who fails to pay this academic year's increase in the professional degree fee above the amount charged to the student for the 2003-2004 academic year."

The Order applies *only* to *current students subject to the professional degree fee who first enrolled in their respective professional degree programs prior to December 16, 2002, and whose professional degree fee was raised on or after that date*. For the Fall 2004 term, those students will be billed for the professional degree fee at the amount they were charged for the 2003-04 academic year, *i.e.*, they will not be billed at this time for the increase in the professional degree fee for 2004-05 that was authorized by the Board of Regents on May 20, 2004. The Order does *not* apply to students subject to the professional degree fee who first enrolled in their programs after December 16, 2002. Those students will be billed for the full amount of the professional degree fee for 2004-05, including the increase authorized by the Board of Regents in May.

The University is in the process of complying with the Order. The professional degree fee charges on the bills of affected students are being adjusted along with any corresponding needed changes to financial aid awards. To minimize confusion, the University is attempting to issue bills that will reflect both the reduction in fee amounts specified by the Order and any needed reductions in financial aid awards. Depending on the program and the circumstances of the student, this process could take up to a few weeks. Any reduction after the adjustments will be credited or refunded to the student in accordance with normal campus accounting procedures. Despite the coordination efforts some students may receive credits or refunds that do not reflect associated financial aid reductions. Students are cautioned that credits or refunds will be modified when the financial aid adjustments are implemented.

The University respectfully disagrees with the Superior Court's ruling, and is appealing it. In the event the Order is reversed on appeal, or the University ultimately prevails in the litigation, the University intends to collect the full amount of the professional degree fee authorized by the Board of Regents for the 2004-05 academic year from all students subject to that fee, including students who enrolled prior to December 16, 2002. Depending on the timing and outcome of the litigation, further billing adjustments may be required.