

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

ERIC T. SCHNEIDERMAN, Attorney General of
the State of New York, for and on behalf of the
People of the State of New York,

Plaintiff,

- against -

INTERNATIONAL IMMIGRANTS
FOUNDATION, INC., INTERNATIONAL
PROFESSIONAL ASSOCIATION, INC., and
EDWARD JUAREZ A/K/A EDUARDO JUAREZ
A/K/A EDWARD JUAREZ-PAGLIOCCIO,

Defendants.

**STIPULATION OF
SETTLEMENT**

Index No. 400143/10

This Stipulation of Settlement ("Stipulation of Settlement") is entered into by and between Plaintiff, the People of the State of New York, by Eric T. Schneiderman, Attorney General of the State of New York ("Plaintiff" or "OAG"), and Defendants International Immigrants Foundation, Inc. ("Defendant IIF"), International Professional Association, Inc. ("Defendant IPA"), and Edward Mr. Juarez a/k/a Edward Juarez-Paglioccio (referred to as "Mr. Juarez" and, collectively with Defendant IIF and Defendant IPA, "Defendants").

WHEREAS, pursuant to the provisions of the New York Executive Law § 63(12), the New York Not-for-Profit Corporation Law, and Section 349 of the New York General Business Law, Eric T. Schneiderman, Attorney General of the State of New York, conducted an investigation (the "Investigation") concerning Defendant IIF and Defendant IPA;

WHEREAS, Executive Law § 63(12) prohibits repeated fraudulent or illegal acts;

WHEREAS, New York General Business Law § 349 prohibits deceptive acts or practices in the conduct of any business, trade or commerce or in the furnishing of any service in New York State;

WHEREAS, New York General Business Law § 460-a *et seq.* (the “Immigration Services Provider Law”) regulates the conduct of immigration service providers and prohibits them from giving legal advice, or otherwise engaging in the practice of law, or providing any service until the customer has executed a written contract with the provider, in addition to requiring posting of signs announcing that the individual providing services is not an attorney or accredited to provide representation to the individual before any immigration authorities;

WHEREAS, New York Judiciary Law § 478 prohibits an individual from practicing or appearing as an attorney and counselor-at-law without having first been duly and regularly licensed and admitted to practice law in the courts of record of this state, and without having taken the constitutional oath;

WHEREAS, New York City Immigration Assistance Services Law §§ 20-770 through 20-780 regulates the conduct of immigration assistance service providers in New York City and prohibits them, among other things, from: (1) demanding or retaining any fees or compensation for services not performed, or costs that are not actually incurred; (2) making any guarantee or promise to a customer or stating or implying that the person can or will obtain special favors from or has special influence with the bureau of citizenship and immigration services or any other governmental entity; (3) giving any legal advice concerning an immigration matter or otherwise engaging in the practice of law; (4) providing services until the customer has executed a written contract; or (5) failing to post signs announcing that the individual providing assistance is not an attorney licensed to practice law or accredited by the board of immigration appeals;

WHEREAS, New York Not-For-Profit Corporation Law §§ 102(a)(5), 717, 719(a)(1), and 720(a)(1)(B) prohibit a Director or officer of a not-for-profit corporation from engaging in self-dealing and causing loss or waste of corporate assets due to any neglect of, or failure to perform, or other violation of his duties;

WHEREAS, New York Not-For-Profit Corporation Law §§ 717 and 720 prohibit a Director or officer of a not-for-profit corporation from breaching his fiduciary duties;

WHEREAS, the OAG commenced, through the filing of a Verified Complaint on January 14, 2010, the above-captioned lawsuit in the Supreme Court of the State of New York, New York County (the "Action") seeking injunctive and monetary relief alleging violations of the above stated provisions of the New York Not-For-Profit Corporation Law, the New York City Immigration Assistance Services Law, the New York Judiciary Law, the New York General Business Law, and the New York Executive Law (the "Complaint");

WHEREAS, the OAG additionally moved by Order to Show Cause on that same date for a temporary restraining order, preliminary injunction, and appointment of receiver (the "Interim Application");

WHEREAS, Defendant IIF and Defendant IPA interposed an answer and affirmative defenses on February 23, 2010 disputing the allegations of the Complaint;

WHEREAS, Mr. Juarez interposed an answer and affirmative defenses on February 23, 2010 disputing the allegations of the Complaint;

WHEREAS, Mr. Juarez founded IIF in 1976 and has asserted that he is entitled to certain unpaid past, present and future compensation, benefits, and the reimbursement of expenses and the repayment of loans for expenditures made on IIF's behalf in excess of \$2.5 million, all of which the OAG disputes;

WHEREAS, Defendants by their counsel opposed the OAG's Interim Application;

WHEREAS, the Court, after notice and a hearing on the Interim Application on January 14, 2010, granted the OAG's request for a temporary restraining order (TRO), pending the Order to Show Cause hearing, enjoining Defendants from: (1) offering immigration services; (2) converting, transferring, selling or otherwise disposing of funds owned, possessed, or controlled by Defendants

in New York, except in the ordinary course of business, including the payment of reasonable legal fees in this Action; (3) destroying or disposing, either directly or indirectly, any records pertaining to the business operations of Defendant IIF and/or Defendant IPA as agreed to and stipulated to by counsel for Defendants; (4) transferring any of the assets of either Defendant IIF or Defendant IPA; (5) entering into, modifying, or extending any contracts with Defendants IIF and IPA; (6) soliciting or enrolling any new members or clients of Defendants IIF and/or IPA; and (7) requiring the Defendants to notify the Plaintiff of any change of address within five days of the date thereof; and (8) permitting Mr. Juarez to continue as President of Defendant IIF;

WHEREAS, the Court having held a Show Cause hearing on the Interim Application, having heard the testimony of certain witnesses on April 26, June 3, and July 12, 2010, and having considered the argument of counsel, on September 14, 2010, granted OAG's request for a preliminary injunction pending the trial of this matter enjoining Defendants from (1) directly or indirectly offering or providing any legal services, but not from maintaining any cultural or social programming events; (2) destroying or disposing of business records; (3) converting, transferring, selling or disposing of funds owned, possessed, or controlled by Defendants in New York, except in the ordinary course of business, including for the payment of legal fees in this Action; (4) modifying or extending any contracts, or taking action with respect to court cases or other legal matters on behalf of Defendant IIF, Defendant IPA, or any member or client; and (5) scheduling a hearing to consider the financial requests made by the Plaintiff including Plaintiff OAG's request for the appointment of a receiver;

WHEREAS, on January 3, 2011, the Court issued a stipulated-to order appointing New York Legal Assistance Group (NYLAG) (the "Temporary Receiver" or "Receiver") as Temporary Receiver for Defendants IIF and IPA;

WHEREAS, the Defendants IIF and IPA were unable to make ordinary debt service

payments resulting in foreclosure proceedings instituted against the property at 7 West 44th Street, New York, New York ("the Building");

WHEREAS, the OAG and the Defendants agreed and stipulated that in the interests of all interested parties and stakeholders a sale of the building should be made by the Receiver;

WHEREAS, the Court granted a stipulated-to order, on June 16, 2011, authorizing the Receiver, among other things, to oversee the sale of the Building; continue to determine the nature, location, and value of Defendants IIF's and IPA's assets; take steps to limit Defendants IIF's and IPA's accruing liabilities; conduct a full inventory of all Defendants IIF's and IPA's case files; create a complete listing of open and closed cases; categorize clients according to the level of service needed; and take appropriate action for each category;

WHEREAS, the Court, on January 26, 2012, issued an order permitting the sale of the Building to go forward on the terms provided to the Court;

WHEREAS, the Receiver, by letter dated February 22, 2012, informed the Court that it had entered into a contract of sale for the Building;

WHEREAS, on May 7, 2012, the Building, acquired in 2003 by IIF for \$4.7 million, with a down payment \$2,000,000, was sold for the amount of \$9,750,000, and the proceeds from the sale were deposited into an escrow account held by the Receiver;

WHEREAS, following payments to IIF's and IPA's creditors and the mortgagee for the Building, the Receiver held \$4,728,883.76 in such escrow account as of May 10, 2013, the amount of which shall be used to establish a Restitution fund for former IIF and IPA clients, after accounting for other payments detailed herein;

WHEREAS, the Court, on September 13, 2012, ordered the parties to participate in the Alternative Dispute Resolution Program of the Commercial Division;

WHEREAS, the parties thereafter retained Roger M. Deitz, Esq. as mediator in this Action

and have since attended mediation sessions with him;

WHEREAS, the Defendants each dispute the allegations of the Complaint;

WHEREAS, the parties herein desire to resolve this matter, and it is expressly understood that this is a compromise and settlement entered into by the parties to avoid the expense and inconvenience of prolonged litigation;

WHEREAS, Mr. Juarez has stated his interest has been in serving the immigrant community and, additionally, has no interest in providing immigration legal services or serving as an officer, Director, or in any capacity with responsibility for financial oversight;

WHEREAS, the Parties have now concluded good faith negotiations and have reached a resolution of the claims and defenses in this Action, and desire to implement such agreement in accordance with the terms and conditions of this Stipulation of Settlement;

WHEREAS, the Receiver will continue as Receiver of Defendants IIF and IPA until further order of this Court and shall continue to perform any and all outstanding duties in that capacity as previously so ordered by this Court on January 3, 2011 and June 16, 2011 and such additional duties as are authorized by the Court pursuant to this Stipulation of Settlement; and

WHEREAS, in consideration of the covenants and understandings set forth herein and intending to be legally bound thereby, the Parties have agreed to the terms of this Stipulation of Settlement as so-ordered by the Court;

NOW THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

PART ONE: DEFINITIONS

1. As used throughout this Stipulation of Settlement, the terms set forth below shall be defined as follows:
 - (a) "Director" means a director on a not-for-profit board of directors and/or any officer

with financial fiduciary obligations for a not-for-profit organization.

- (b) "Effective Date" means the date this Stipulation of Settlement is so-ordered by the Court.
- (c) "Employee" means any employee, officer, Director, and/or independent contractor who acts or acted as an employee.
- (d) "IIF" means International Immigrants Foundation, Inc. and/or all of its Employees.
- (e) "IPA" means International Professional Association, Inc. and/or all of its Employees.
- (f) "Immigration Legal Services" means: (1) any service provided to individuals to aid or purporting to aid in any immigration matter including, but not limited to, the obtaining of a "green card," residency visa, or any other document or process relating to an individual's immigration status; (2) the providing of individualized or one-on-one advice on immigration laws, rules or processes; or (3) the offering of general advice to consumers on immigration laws, rules or processes or related legal matters. Immigration Legal Services shall not include "Educational Programs" or "Educational Seminars," as defined below.
- (g) "Mr. Juarez" means Edward Juarez a/k/a Edward Juarez-Paglioccio.
- (h) "Kameda" means Kameda International, Inc., the former owner of the Building and/or all of its owners, shareholders, and Employees.
- (i) "Member" means any person who paid for immigration services offered by IIF or IPA.
- (j) Terms of construction:
 - i. "And" and "or" shall be construed conjunctively or disjunctively as necessary to make the meaning inclusive rather than exclusive.
 - ii. "All" means "any and all" and "any" means "any and all."

- iii. "Concerning" means relating to, referring to, describing, evidencing, regarding, reflecting, or constituting.
 - iv. "Including" means without limitation.
 - v. "Day" refers to a calendar day, not a business day.
 - vi. The singular of any word includes the plural; the plural of any word includes the singular.
- (k) "Educational Program" or "Educational Seminar" means any workshop(s), program(s), broadcast(s), seminar(s) or event(s) that Mr. Juarez conducts regarding, touching upon, or concerning any topic. "Educational Programs" or "Educational Seminars" shall not include the direct or indirect provision of Immigration Legal Services.
- (l) "Mr. Juarez Claims" means any and all claims held or which could have been asserted by Mr. Juarez against IIF and IPA.

PART TWO: PROSPECTIVE RELIEF

Agreement Concerning the Activities of Mr. Juarez

2. Mr. Juarez has stated that his interest is in the immigrant community, and agrees that he shall not serve as an officer, Director, or in any capacity with responsibility for financial oversight with any organization in New York State that provides Immigration Legal Services to consumers. In addition, Mr. Juarez shall not directly or indirectly, voluntarily or for pay, provide Immigration Legal Services to consumers, including by providing one-on-one counseling and the preparation or completion of forms and affidavits for submission to USCIS and/or other government agencies that entertain requests for status

adjustment. Nothing contained herein shall prohibit Mr. Juarez from conducting or appearing at or attending Educational Programs or Educational Seminars.

3. (a) Mr. Juarez has stated that his interest is in the immigrant community, and agrees that he shall not serve as an officer or Director or in any position with financial responsibility for any not-for-profit corporation, any professional fund-raising organization, charitable organization or foundation in the State of New York, or with any entity that holds charitable assets or solicits charitable contributions in the State of New York.

(b) Mr. Juarez has stated that his interest is in the immigrant community, and agrees he will not work for or be employed in the State of New York by any not-for-profit corporation, any professional fund-raising organization, charitable organization or foundation in the State of New York, any entity that holds charitable assets or solicits charitable contributions in the State of New York, for which any relative or past and present board member of IIF and/or IPA serves as an officer or Director.

Cooperation with Dissolution of Defendants IIF and IPA

4. On the Effective Date, Mr. Juarez shall cause IIF to issue a resolution as follows: (a) consenting to the issuance of a permanent injunction on the Effective Date of this Stipulation of Settlement barring IIF from operating in any capacity and under any structure within the State of New York except as expressly permitted under Paragraph 5 hereof; (b) directing IIF's current board of Directors to exercise best efforts to elect their successor Directors¹ and, upon selection thereof, agreeing to resign himself from IIF; and (c) consenting to IIF's dissolution two years (730 days) from the Effective Date of this Stipulation of Settlement (the "IIF Dissolution Date").

¹ No past or present board member of IIF and/or IPA, and no relative (by blood or affinity) of such person, may be elected as a successor Director of IIF.

5. Further, as of the Effective Date of this Stipulation of Settlement, the parties agree that, until it legally dissolves, IIF shall not directly or indirectly: (1) hold, promote, and/ or sponsor any public event or hold any programs except as set forth herein; (2) announce or advertise its name through any media, letterhead, announcement, invitation, and/or the like; and (3) hold, exchange, receive, or grant any money or charitable assets of any kind except as expressly set forth in connection with the terms of this Stipulation of Settlement. It is expressly understood that notwithstanding the restrictions set forth in this paragraph 5 hereof, until the IIF Dissolution Date, IIF is permitted to retain its consultative status with the United Nations Economic and Social Council and is permitted to conduct, participate in, and promote the annual Immigrants Parade and Festival (but, pursuant to subparts (1) and (2) of this paragraph, may not announce, advertise or otherwise promote its name when doing so).
6. The parties knowingly consent and waive all objections to the dissolution of Defendants IIF and IPA. The OAG will file an Order and Judgment of Dissolution (the "IPA Dissolution Order," a form for which is annexed hereto) with respect to Defendant IPA simultaneously with the filing of this Stipulation of Settlement. The IPA Dissolution Order shall provide for the immediate dissolution of Defendant IPA, and shall also provide for the orderly dissolution of Defendant IIF by the IIF Dissolution Date, at which time the OAG shall file a subsequent Order and Judgment of Dissolution for that entity (the "IIF Dissolution Order," a form for which is annexed hereto). The IPA Dissolution Order shall provide that all assets of IPA and IIF, after payment of all outstanding debts and other amounts as set forth in paragraphs 7, 8 and 12 below, shall be transferred by the Temporary Receiver to the State of New York for the purpose of establishing a restitution fund, as described in paragraph 17, and, in the event any money remains following

restitution payments, for payment towards one or more not-for-profit entities that provide legal service(s) to immigrants, as described in paragraph 17. The transfer of IIF's assets shall occur simultaneously with the transfer of IPA's assets and shall not await the IIF Dissolution Date. The IPA Dissolution Order shall have no impact on IIF's consultative status with the United Nations Economic and Social Council.

Remaining Obligations, Waiver, Adjudication, and Transfer of Monies

7. OAG and Defendants Mr. Juarez, IIF, and IPA agree that attorneys' fees and expenses for counsel for IIF, IPA, and Mr. Juarez in this Action (Graber PLLC (Daniel Graber, Eric S. Medina), Vincent J. D'Elia and Samuel A. Ehrenfeld), up to the Effective Date, shall be paid from the funds held by the Receiver, as follows: Counsel for IIF, IPA, and Mr. Juarez shall submit itemized copies of their bills to the Receiver, without waiving any privilege, who shall review the bills to determine if they are reasonable and accurate. If the bills are satisfactory to the Receiver, he is hereby authorized to pay the bills from the IIF funds under his control, within fourteen (14) days unless the Receiver needs additional time, in which case he shall request additional time from the Court. In the event that the Receiver determines that any attorney's bill, or any portion thereof, is not reasonable, he shall bring his specific objection(s), and the reasons therefor, to the attention of the attorney submitting the bill, and, if the matter cannot be resolved, shall pay the amount of any undisputed balance within the time allotted in this paragraph 7, if any exists; and any entries that remain disputed shall be resolved by the Court after the submission of a statement from the Receiver and a statement from the attorney whose bill has been challenged.
8. Within seven (7) days of the Entry of this Stipulation of Settlement, the Receiver shall make the following payments from the IIF and IPA funds under his control: (a) \$350,000

to the OAG for the costs incurred in the Investigation and in this Action; (b) any remaining fees owed to mediator, Roger Deitz, Esq.; and (c) \$350,000 to Mr. Juarez for reimbursement of documented loans he made to IIF and for such other amounts that have been determined to be due on account of all past unpaid and unreimbursed expenses and other obligations. Further, upon applications by the Receiver to the Court for its fees, IIF and IPA shall pay to the Receiver, from the funds held by the Receiver, the amount in fees as determined by the Court within seven (7) days of the Court's order on such applications.

9. OAG and Defendants Mr. Juarez, IIF, and IPA agree that, with the exception of the possible resolution of an attorneys' fee challenge pursuant to paragraph 7 above, the only matter left to be adjudicated by the Court is the issue of whether Defendant IIF and/or Defendant IPA gave Mr. Juarez a legally enforceable right (by oral or written contract) to retirement benefits with either IIF or IPA that attached prior to the appointment of the Receiver and, if so, to what amount Mr. Juarez is entitled and from which entity, as a matter of law (the "Retirement Benefits Issue"). The parties agree that this issue shall be adjudicated by the Court in a summary fashion without further discovery pursuant to the rules set forth in Paragraph 10 hereof.
10. OAG and Defendants Mr. Juarez, IIF, and IPA agree to submit the Retirement Benefits Issue to the Court for adjudication in the following manner:
 - a. The parties agree to file simultaneous legal briefs of no more than twenty (20) pages in length (excluding exhibits) within eight (8) weeks of the Effective Date setting forth their legal arguments and summarizing the evidence supporting their positions. Response briefs in opposition, if any, of no more than ten (10) pages in length (excluding exhibits), shall be exchanged two (2) weeks after the service of the initial

- briefs. All papers shall be filed with the Court and served on opposing counsel by electronic mail.
- b. The parties may not conduct any further discovery with respect to the Retirement Benefits Issue and may only rely on documents or affidavits specifically referenced in subsections (c) and (d) below. Notwithstanding the foregoing, the parties may rely upon any source to support their legal arguments and may use the fact that a document has not been produced (or does not exist) in support of their position.
 - c. Mr. Juarez may submit the affidavits of Mary Suitt, sworn to on December 10, 2012, and Hector Chiesa, sworn to on December 11, 2012, in support of his position, together with an affidavit from Mr. Juarez if appropriate. The OAG will not object to the form of the Suitt and Chiesa affidavits, but may object to the admissibility of the evidence presented in their affidavits on any other ground.
 - d. In addition to any materials produced by Defendants to OAG (in response to subpoenas or otherwise) to date or which are otherwise permitted to be used pursuant to this Paragraph 10 (and its subparagraphs), the parties may rely upon: (i) all tax returns filed with the IRS and/ or annual reports filed with the OAG by any of the Defendants; (ii) any publicly available document; and (iii) all meeting minutes from board meetings of IIF and/ or IPA.
 - e. The parties agree to waive any and all rights to an evidentiary hearing on any aspect of the sole remaining Retirement Benefits Issue. The parties further agree that oral argument on the Retirement Benefits Issue will be entirely at the discretion of the Court.
 - f. The parties may refer to all prior papers and proceedings including but not limited to this Stipulation of Settlement in their submissions to the Court on the Retirement Benefit Issue.

11. Aside from the remaining Retirement Benefits Issue, as stipulated in Paragraphs 9 and 10, Defendants Mr. Juarez, IPA, and IIF hereby waive and release any and all counterclaims and/ or cross-claims that they have, may have or could have had, whether known or unknown, against any party to this Action, including, but not limited to, the Mr. Juarez Claims and any claim by Mr. Juarez for payment from Defendant IIF, Defendant IPA, Kameda, the Receiver, or from any assets held by the Receiver, including, but not limited to, from the sale of the Building, whether in the form of allegedly due past salary, deferred compensation, repayment of loans, pension, or otherwise.
12. Following the Court's adjudication of the Retirement Benefits Issue, as stipulated in Paragraphs 9 and 10, Defendant IIF and Defendant IPA shall pay, from the funds held by the Receiver, the amount ordered by the Court as Retirement Benefits, if any.
13. The remaining funds held by the Receiver shall be distributed pursuant to the terms of Paragraph 17 hereof after twenty (20) days' notice by the Receiver to all parties who may object or request that amounts be set aside for unpaid liabilities, if any.

PART THREE: REPORTING

14. For the two-year period following the Effective Date, Mr. Juarez shall provide four (4) semi-annual monitoring reports to the OAG, with the first due six (6) months after the Effective Date and the remaining reports due every six (6) months thereafter. Each report shall include:²
 - a. An account of Mr. Juarez's compliance with the provisions of this Stipulation of Settlement;
 - b. A summary description of all work performed by Mr. Juarez and the names of the entities for which he works/ has worked during the two-year period following the

² A form report is annexed hereto.

Effective Date.

Additionally, upon his resignation, Mr. Juarez shall use his best efforts to name a board member to provide the OAG with a current list of all board members, officers, and employees of IIF semiannually for the two-year period following the Effective Date.

15. For the duration of the Court's jurisdiction in this matter, the OAG shall have the right to request at any time that Mr. Juarez produce, within fourteen (14) days written notice of the request, any document required to be maintained by Mr. Juarez under this Stipulation of Settlement.

PART FOUR: PENALTIES

16. If the OAG finds evidence that Defendants IIF, IPA, or Mr. Juarez willfully failed to comply with applicable laws or any provision of this Stipulation of Settlement, Defendants IIF, IPA, and/or Mr. Juarez, upon reasonable opportunity to be heard by the Court and the Court making a finding of noncompliance, shall pay additional penalties to the OAG of \$5,000 for each instance of noncompliance, and an additional \$500.00 per day where instances of noncompliance after notice by the OAG are not rectified.

PART FIVE: ESTABLISHMENT OF CLAIMS FUND

17. To the extent that any funds remain in the account held by the Receiver after the payment of Defendants IIF's and IPA's due and just debts, as determined and paid by the Receiver in accordance with the terms of this Stipulation of Settlement, and after the payments referenced in paragraphs 7, 8 and 12, and compliance with the provisions of paragraph 13, then payment shall be made by the Receiver to the State of New York, at least seven (7) days after the last payment made referenced in Paragraphs 7, 8 and 12, for the establishment of a restitution fund (the "Restitution Fund"), to be administered by a third

party designated by the OAG for the purpose of reviewing and evaluating claims and supporting documentation and remitting payments to former IIF Members and/ or IPA clients who paid Defendants IIF/ IPA fees for legal services. Any former IIF Member and/or IPA client who provides proof of (1) having paid IIF and/or IPA membership fees and (2) receipt of legal services from IIF and/or IPA, shall be entitled to receive a payment upon making a claim to the designated third party, pursuant to procedures adopted by that party and approved by OAG. The amount of the payments made pursuant to this paragraph shall be set following a determination of the number of former IIF and/or IPA clients who qualify for such payments. The amount distributed through the Restitution Fund, the time period in which former IIF and/or IPA clients may submit claims, the number of payments made from the Restitution Fund, and other administrative rules concerning the Restitution Fund shall be determined by the OAG in its sole and absolute discretion, with the assistance of the third party. To the extent that any funds remain in the Restitution Fund following the close of the restitution period, those funds shall be paid, in the form of a wire transfer or a certified or bank check, to one or more not-for-profit entities then registered in the State of New York that provide(s) legal services to immigrants, as determined by the OAG, in its sole and absolute discretion. Mr. Juarez may offer recommendations to the OAG of non-profit immigration providers to be considered for receipt of remaining restitution funds.

18. Subject to transmittal by the Receiver of an application to the Court for a final allowance of fees and expenses, the Receiver shall thereafter be discharged from any further responsibility for the maintenance and affairs of IIF and/or IPA after full of implementation of the terms of this Stipulation Settlement.

PART SIX: SCOPE OF THE STIPULATION OF SETTLEMENT, JURISDICTION, AND ENFORCEMENT PROVISIONS

19. The Court shall retain jurisdiction over the parties and this matter for the term of five (5) years after the Effective Date. The Court shall retain all equitable powers necessary to enforce the terms of this Stipulation of Settlement and remedy any violations thereof, including, but not limited to, the power to hold any party in contempt and to award damages, restitution, or monetary penalties, as well as the power to extend the duration of the Stipulation of Settlement upon a finding of noncompliance.
20. This Stipulation of Settlement shall become effective upon its execution by all parties and its entry by the Court.
21. Notwithstanding any provision of this Stipulation of Settlement to the contrary, the OAG may, in its sole discretion, grant written extensions of time for Defendants to comply with any provision herein.
22. Each of the signatories to this Stipulation of Settlement warrants and represents that he or she is duly authorized to execute this Stipulation of Settlement, that no other parties are necessary to effectuate the full execution of this Stipulation of Settlement, and that he has the authority to take all appropriate action required or permitted to be taken pursuant to this Stipulation of Settlement to effectuate its terms. Facsimile signatures shall be deemed originals.
23. The parties may seek to enforce this Stipulation of Settlement by motion before the Court to the full extent of the law. In the event of a dispute among the parties regarding any issue arising out of this Stipulation of Settlement, the parties shall attempt in good faith to resolve the dispute, including meeting at least once with the mediator, Roger Deitz, Esq., before seeking judicial intervention.

24. Any failure by the OAG to enforce this entire Stipulation of Settlement or any provision thereof with respect to any deadline or any other provision herein shall not be construed as a waiver of the OAG's right to enforce other deadlines and provisions of this Stipulation of Settlement.
25. If any provision, term, or clause in this Stipulation of Settlement is declared illegal, unenforceable, or ineffective in a legal forum, such provision, term, or clause shall be deemed severable, such that all other provisions, terms and clauses of this Stipulation of Settlement shall remain valid and binding on the parties.
26. This Stipulation of Settlement constitutes the entire agreement between Defendants and the OAG on the matters raised in the Action and no other statement, promise or agreement either written or oral, made by either party or agents of either party that is not contained in this Stipulation of Settlement, shall be enforceable.
27. Nothing in this Stipulation of Settlement is intended to confer any right, remedy, obligation, or liability upon any person or entity other than the parties hereto.
28. Nothing in this Stipulation of Settlement is intended to, nor shall, limit the OAG's investigatory or compliance review powers otherwise provided by law or this Stipulation of Settlement.
29. This Stipulation of Settlement may be executed in multiple counterparts, each of which shall be deemed a duplicate original.
30. This Stipulation of Settlement is final and binding on the parties, including principals, agents, representatives, successors in interest, assigns, "d/b/a companies," "a/k/a companies," and legal representatives thereof. No assignment by any party thereto shall operate to relieve such party of its obligations herewith.

31. The parties hereby waive and shall not have any right to appeal any of the terms of this Stipulation of Settlement or in any way challenge the validity of any of the terms of this Stipulation of Settlement in any forum, except that they may appeal any determination regarding the Retirement Benefits Issue.
32. The Defendants agree not to take any action or to make any public statement denying, directly or indirectly, any finding in this Stipulation of Settlement or creating the impression that this Stipulation of Settlement is without factual basis. Nothing in this paragraph affects Defendants' testimonial obligations or right to take legal or factual positions in defense of litigation or other legal proceedings to which the OAG is not a party.
33. The terms and provisions of this Stipulation of Settlement shall be binding upon and limited to the parties conduct and actions which originate in the State of New York.
34. All communications and notices regarding this Order shall reference the Index No. 400143/10 and be sent by first-class mail and by email to:

If to OAG:

Allegra Chapman, Esq.
Assistant Attorney General
Office of the Attorney General
Civil Rights Bureau
120 Broadway
New York, New York 10271
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If to Defendants:

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Counsel for IIF and IPA

If to Receiver:

Yisroel Schulman, Esq.
President
New York Legal Assistance Group
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New York, New York 10004
Tel. (212) 613-5050
yschulman@nylag.org
Court-Appointed Temporary Receiver

Advance notice of any changes concerning the person who has been designated to receive all communication must be made in writing prior to the change.

The claims and allegations asserted by the OAG in this Action are hereby discontinued with prejudice.

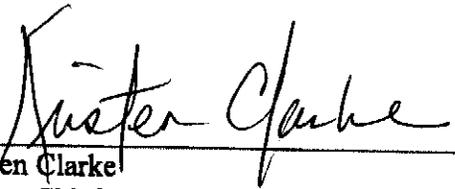
IN WITNESS WHEREOF, the parties hereto, intending to be legally bound thereby, have executed this Stipulation of Settlement on the dates written below:

Dated: New York, New York

May 10, 2013

ERIC T. SCHNEIDERMAN

By:



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Office of the Attorney General
Civil Rights Bureau
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Tel. (212) 416-8252

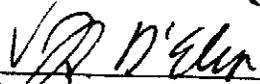
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Counsel for Mr. Juarez



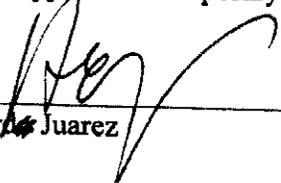
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Court-Appointed Temporary Receiver



Eduardo Juarez



Defendant International Immigrants Foundation, Inc.


Defendant International Professional Association, Inc.

SO ORDERED:

 5/29/13

Hon. Barbara R. Kapnick

BARBARA R. KAPNICK
J.S.C.

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

ERIC T. SCHNEIDERMAN, Attorney General of
the State of New York, for and on behalf of the
People of the State of New York,

Plaintiff,

- against -

INTERNATIONAL IMMIGRANTS
FOUNDATION, INC., INTERNATIONAL
PROFESSIONAL ASSOCIATION, INC., and
EDWARD JUAREZ A/K/A EDUARDO JUAREZ
A/K/A EDWARD JUAREZ-PAGLIOCCIO,

Defendants.

**AMENDMENT TO
STIPULATION AND
ORDER**

Index No. 400143/10

This Amendment to the Stipulation and Order (the "Amendment") is entered into by and between Plaintiff, the People of the State of New York, by Eric T. Schneiderman, Attorney General of the State of New York ("Plaintiff" or "OAG"), and Defendants International Immigrants Foundation, Inc. ("Defendant IIF"), International Professional Association, Inc. ("Defendant IPA"), and Edward Juarez a/k/a Edward Juarez-Paglioccio (referred to as "Mr. Juarez" and, collectively with Defendant IIF and Defendant IPA, "Defendants") by their undersigned counsel.

WHEREAS, the parties have entered into a Stipulation of Settlement, dated May 10, 2013, resolving the above-captioned matter;

WHEREAS, the parties have agreed to amend the briefing schedule outlined in Paragraph 10 in that Stipulation of Settlement;

IT IS HEREBY UNDERSTOOD AND AGREED, by and between OAG and Defendants, that the Stipulation of Settlement shall be amended by substituting the following paragraph for Paragraph 10, section (a), in the Stipulation of Settlement entered into on May 10, 2013:

10. OAG and Defendants Mr. Juarez, IIF, and IPA agree to submit the Retirement Benefits Issue to the Court for adjudication in the following manner:

- a. Defendants, collectively, shall file a legal brief of no more than twenty (20) pages in length (excluding exhibits) by July 19, 2013 setting forth their legal arguments and summarizing the evidence supporting their position. OAG shall file its response brief of no more than twenty (20) pages in length (excluding exhibits) setting forth its legal arguments and summarizing the evidence supporting their position by August 16, 2013. Defendants, collectively, may file a reply brief (if any) of no more than ten (10) pages in length (excluding exhibits) by August 30, 2013. OAG may file its sur-reply (if any) of no more than ten (10) pages in length (excluding exhibits) by September 13, 2013. All papers shall be filed with the Court and served on opposing counsel by electronic mail.

IT IS HEREBY UNDERSTOOD AND AGREED that all other provisions of the Stipulation of Settlement, including, without limitation, all other portions of Paragraph 10 shall not be affected by this Amended Order. Facsimile signatures shall be deemed originals.

Dated: New York, New York
May 21, 2013

ERIC T. SCHNEIDERMAN

By:



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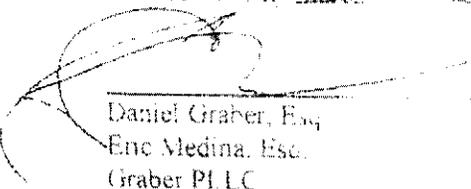
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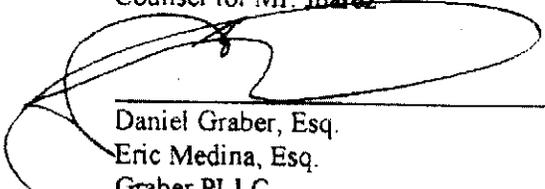
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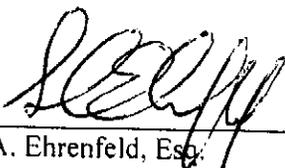


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Counsel for Defendants IIF and IPA

SO ORDERED:

 5/29/13

^R
Hon. Barbara Kapnick, Justice of the Supreme Court

BARBARA R. KAPNICK
J.S.C.

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

ERIC T. SCHNEIDERMAN, Attorney General of the
State of New York, for and on behalf of the People of
the State of New York,

Plaintiff,

- against -

INTERNATIONAL IMMIGRANTS FOUNDATION,
INC., INTERNATIONAL PROFESSIONAL
ASSOCIATION, INC., and EDWARD JUAREZ
A/K/A EDUARDO JUAREZ A/K/A EDWARD
JUAREZ-PAGLIOCCIO,

Defendants.

Index No. 400149/2010

Hon. Barbara R. Kapnick, Justice

**ORDER AND
JUDGMENT OF DISSOLUTION**

UPON reading the Verified Complaint in the above-captioned action, filed on January 21, 2010 (the "Complaint"), seeking, among other things, the judicial dissolution of Defendants INTERNATIONAL PROFESSIONAL ASSOCIATION, INC. ("IPA") and INTERNATIONAL IMMIGRANTS FOUNDATION, INC. ("IIF"), not-for-profit corporations organized and existing under New York law and incorporated on November 7, 2000 and August 17, 1976, respectively; and

UPON reading and filing the attached Stipulation of Settlement dated May 10, 2013, the exhibits attached thereto (the "Stipulation"), and the Amendment to Stipulation and Order, dated May 21, 2013, in which Defendants IIF, IPA and Edward Juarez ("Juarez") consent to the immediate dissolution of IPA and, after an orderly dissolution process, of IIF; it is hereby:

ORDERED and ADJUDGED that the Attorney General's Complaint insofar as it seeks judicial dissolution of IPA pursuant to Section 1101 of the Not-for-Profit Corporation Law ("N-PCL") that is granted; and it is further

ORDERED and ADJUDGED, pursuant to N-PCL Sections 1006 and 1115 that IPA and all those acting on its behalf, shall cease all activities on behalf of IPA except for the purpose of winding up IPA's affairs in accordance with this Order and the Stipulation; and it is further

ORDERED and ADJUDGED, pursuant to N-PCL Sections 1008 and 1115 that the claims against IPA by its creditors shall be paid and/or satisfied as provided under the terms of the Stipulation; and it is further

ORDERED and ADJUDGED that after payment of all outstanding debts of IIF and IPA and the payment of the other amounts as set forth in the Stipulation, as more fully set forth in the Stipulation, all remaining assets of IIF and IPA shall be transferred by the New York Legal Assistance Group (NYLAG), the temporary receiver of IIF and IPA (the "Receiver"), to the State of New York for the purpose of establishing a restitution fund administered by the Office of the Attorney General (the "OAG"), and, in the event any money remains following the restitution payments, for payment towards one or more non-profit entities that provide legal service(s) to immigrants, as determined by the OAG in its sole discretion (and pursuant to the provisions of Paragraph 17 in the Stipulation of Settlement); and it is further

ORDERED and ADJUDGED that the OAG shall transmit certified copies of this Order and Judgment of Dissolution to the Department of State; to the clerk of New York County, the county in which the office of IPA was last located; and to the parties herein; and it is further

ORDERED and ADJUDGED that upon filing by the Department of State of the State of New York, IPA shall be dissolved; and it is further

ORDERED and ADJUDGED that IIF shall not contest the subsequent application by the OAG, to be submitted to the Court at any time after two years (730 days) from the Effective Date of the Stipulation (the "IIF Dissolution Date"), for an Order and Judgment of Dissolution for IIF; and it is further

ORDERED and ADJUDGED that, until it is dissolved, IIF is hereby enjoined from operating in any capacity or under any structure within the State of New York except as expressly permitted under this Order and Stipulation; and it is further

ORDERED and ADJUDGED that, until it is dissolved, IIF is hereby enjoined from directly or indirectly: (1) holding, promoting and/or sponsoring any public event or holding any programs except as set forth herein; (2) announcing or advertising its name through any media, letterhead, announcement, invitation and/or the like; and (3) holding, exchanging, receiving or granting any money or charitable assets of any kind except as expressly set forth in the Stipulation. Notwithstanding the foregoing, until the IIF Dissolution Date, IIF is permitted to retain its consultative status with the United Nations Economic and Social Council and is permitted to conduct, participate in, and promote the annual Immigrants Parade and Festival (but may not announce or otherwise promote its name when doing so); and it is further

ORDERED and ADJUDGED that the Receiver will continue as Receiver of Defendants IIF and IPA until further order of this Court and shall continue to perform any and all outstanding duties in that capacity, as previously so ordered by this Court on January 3, 2011 and June 16, 2011 and as set forth in the Stipulation; and it is further

ORDERED and ADJUDGED that this Court shall retain jurisdiction over this matter for all purposes after the date of entry of this Order and Judgment.

Order and Judgment signed this 29th day of May, 2013.

ENTER:



Honorable Barbara R. Kapnick
Justice of the Supreme Court
New York County

BARBARA R. KAPNICK
J.S.C.

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

ERIC T. SCHNEIDERMAN, Attorney General of
the State of New York, for and on behalf of the
People of the State of New York,

Plaintiff,

- against -

INTERNATIONAL IMMIGRANTS
FOUNDATION, INC., INTERNATIONAL
PROFESSIONAL ASSOCIATION, INC., and
EDWARD JUAREZ A/K/A EDUARDO JUAREZ
A/K/A EDWARD JUAREZ-PAGLIOCCIO,

Defendants.

Juarez Report

**Under Stipulation of
Settlement**

Index No. 400143/10

(1) Edward Juarez's statement of compliance with the Stipulation of Settlement entered into in the above-referenced matter¹. The statement must specify that Mr. Juarez has not engaged in any activities prohibited in Paragraphs 2 and 3 in the Stipulation of Settlement:

¹ Additional pages shall be attached if necessary.

(2) Edward Juarez's description of all work, including names of entities for which he works/ has worked, for entities described in Paragraphs 2 and 3 in the Stipulation of Settlement:

Sworn to before me this
___ day of _____, 201__

Edward Juarez

Notary Public