

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

THE PEOPLE OF THE STATE OF NEW YORK,  
by ANDREW M. CUOMO, Attorney General 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.

**VERIFIED COMPLAINT**

Index No.

400143/10

Plaintiff, the People of the State of New York, by its attorney, ANDREW M. CUOMO,  
Attorney General of the State of New York ("Attorney General"), respectfully alleges, upon  
information and belief:

### **PRELIMINARY STATEMENT**

1. The Attorney General brings this action pursuant to New York Executive Law § 63(12), and other state and local statutes cited herein, against International Immigrants Foundation, Inc. ("Defendant IIF"), International Professional Association, Inc. ("Defendant IPA"), and Edward Juarez a/k/a Eduardo Juarez a/k/a Edward Juarez-Paglioccio, founder and President of Defendants IIF and IPA ("Defendant Juarez") for repeatedly engaging in, and/or facilitating, deceptive, fraudulent, illegal and discriminatory business practices in providing immigration-related legal services to thousands of New York consumers, and for violating the laws governing not-for-profit corporations. The Attorney General seeks injunctive relief, damages, penalties and costs against Defendants, and the dissolution of Defendants IIF and IPA.

2. Defendants IIF and IPA are New York not-for-profit organizations that purport to provide immigrants who pay a membership fee and monthly dues with services such as immigration and naturalization legal services, housing, employment, and health care for free or at a low cost.

3. Neither organization provides the services it promises. Instead, these organizations defraud immigrants who are in need of legitimate legal assistance.

4. Under federal and state law, not-for-profit organizations cannot provide immigration legal services without first obtaining accreditation from the federal government to do so, and cannot charge more than nominal fees for services. Further, state law prohibits non-lawyers from providing legal advice.

5. In 1993, Defendant IIF applied to the federal government for accreditation to provide legal services to immigrants. The federal government denied Defendant IIF's application for failing to satisfy several fundamental requirements, including but not limited to

failing to demonstrate that the organization is qualified to provide legal services through its knowledge, experience and staffing; failing to identify attorneys who would be available to counsel its clients; and failing to show that it charges nominal fees for services. Shortly thereafter, Defendant Juarez – the founder of Defendant IIF – created a sister not-for-profit organization, Defendant IPA, with the expressed purpose of providing immigration legal services to individuals who are members of Defendant IIF. Defendant IPA, which also failed to obtain accreditation from the federal government to provide immigration legal services, averred in public filings that it would provide free or low-cost legal services through licensed, qualified attorneys retained by the organization. Those representations, however, were and remain false.

6. Since its creation, Defendant IPA has functioned as one entity with Defendant IIF under the complete control of Defendant Juarez to defraud immigrants in need of legal assistance by having non-attorneys hold themselves out as being able to provide legal advice and assistance to immigrants. Most of the client work is performed by non-lawyer staff persons who are not directly supervised by an attorney nor legally authorized by any government agency to provide immigration related services. Further, although Defendant IPA has from time to time had attorneys on its staff, it currently has no permanent staff attorneys, relying instead on attorneys retained and paid on a per diem basis simply to appear at court hearings. In addition, when Defendant IPA did retain a lawyer, Defendant Juarez constantly interfered in and superseded the lawyer's legal counseling, resulting in a virtual revolving door of attorneys over the years, some lasting no more than weeks. With no attorneys on staff, Defendants IIF and IPA continue to collect substantial legal fees for work being done by non-attorneys.

7. Defendants IIF and IPA purport to be charitable organizations that serve indigent immigrant communities by providing legal services for "free or at nominal rates." The services,

however, are neither free nor the fees nominal. Rather, the organizations charge rates far in excess of that which is permitted under law. The fraudulent practice of and misleading representations by not-for-profit organizations charging substantial fees violate various statutes including the Not-for-Profit Corporation Law.

8. Defendants' illegal conduct has caused and continues to cause thousands of individuals and families to pay substantial fees for often inaccurate "legal" advice that causes or threatens to cause permanent damage to their immigration status in the United States.

9. Moreover, Defendant Juarez operates both organizations with no effective Board oversight, permitting him to engage in mismanagement, waste, and self-dealing.

10. The ongoing nature and scale of the fraud and illegality perpetuated against the State and the resulting harm to thousands of individuals warrant injunctive relief. Unless enjoined, Defendants will continue to engage in unlawful conduct and will continue to cause substantial injury to New York residents. Further, the unlawful conduct is so rampant and so deeply entrenched in the operational and financial structure of the organizations that dissolution is necessary to protect the public from further substantial harm.

#### **JURISDICTION AND VENUE**

11. This Court has jurisdiction over this action pursuant to New York Executive Law § 63(12), which authorizes the Attorney General to seek injunctive relief and damages against any person who engages in repeated fraud or illegality in the conduct of business.

12. Further, New York General Business Law ("GBL") Article 22-A, § 349 empowers the Attorney General to seek injunctive relief and civil penalties against any person who engages in deceptive acts and practices in the conduct of business.

13. Similarly, GBL Article 28-C, § 460-h empowers the Attorney General to seek

injunctive relief and civil penalties against any person who violates the provisions of the New York State Immigrant Assistance Services Law, without requiring proof that any person has, in fact, been injured or damaged thereby.

14. New York Judiciary Law § 476-a authorizes the Attorney General to bring an action enjoining the unlawful practice of the law.

15. Further, New York Human Rights Law empowers the Attorney General to seek an injunction, damages and penalties for discriminatory practices.

16. In addition, New York Not-for-Profit Corporation Law (“N-PCL”) §§ 112 and 1101(a)(2) authorize the Attorney General to bring an action to dissolve a corporation that has exceeded the authority conferred upon it by law; has violated any provision of law whereby it has forfeited its charter; has carried on, conducted or transacted business in a persistently fraudulent or illegal manner; or has abused its powers contrary to public policy of the State.

17. The Attorney General is empowered under N-PCL § 112(a)(7) to bring an action to enforce any right given under the N-PCL to an officer or director of a not-for-profit corporation. Accordingly, the Attorney General is authorized to bring an action for dissolution in accordance with N-PCL § 1102(a)(2)(D), where the directors in control of the corporation have looted or wasted the corporate assets, have perpetuated the corporation solely for their personal benefit or have otherwise acted in an illegal, oppressive, or fraudulent manner.

18. Further, N-PCL §§ 720(a) and 720(b) authorize the Attorney General to bring an action to require the directors and officers of a New York not-for-profit corporation to account for the management of corporate assets and for transfers, loss, or waste of corporate assets in violation of their fiduciary duties and to recover all resulting damages from such officers and directors.

19. N-PCL §§ 112(a)(4), 706(d) and 714(c) also empower the Attorney General to seek removal of corporate officers and directors for cause, including for violations of their fiduciary duties.

20. N-PCL § 1202(a)(3) permits the Court to appoint a receiver to manage the assets and affairs of a not-for-profit corporation in any action brought by the Attorney General under N-PCL § 112 or in an action or proceeding for judicial dissolution.

21. The Court also has jurisdiction over this action pursuant to its general jurisdiction under the New York Constitution, Art. VI § 7, and New York Judiciary Law § 140-b.

22. Venue is proper in this county pursuant to CPLR § 503(a) because the Attorney General maintains an office in New York County.

#### **PARTIES**

23. Plaintiff is the People of the State of New York, by the Attorney General.

24. Defendant IIF is incorporated in New York as a Type B (charitable) not-for-profit corporation, and is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code. Defendant IIF's principal office is at 7 West 44<sup>th</sup> Street, New York, New York 10036.

25. Defendant IPA is incorporated in New York as a Type B (charitable) not-for-profit corporation, and is exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code. Defendant IPA's principal office is at 7 West 44<sup>th</sup> Street, New York, New York 10036.

26. Defendant Juarez is the founder and President of Defendant IIF and the President and Chairman of Defendant IPA.

### **FACTUAL BACKGROUND**

27. The Attorney General commenced an investigation upon receiving complaints from consumers alleging that Defendants IIF and IPA are defrauding immigrants by falsely claiming to provide legitimate immigration-related legal services that were not and cannot be achieved under law.

28. The Attorney General reviewed the complaints. The Attorney General also reviewed the organizations' policies and practices for providing and charging for legal services as well as their federal and state annual reports filed with the Attorney General. The Attorney General also conducted an undercover investigation of the operations of both organizations.

29. New York State law regulates the conduct of businesses, including not-for-profit corporations, and specifically prohibits businesses from engaging in fraudulent and deceptive practices in the conduct of any business, trade or commerce or in the furnishing of any service. In addition, New York State law, among other things, governs the conduct and fiduciary responsibilities of directors and officers of not-for-profit corporations.

30. The investigations revealed that, in direct contravention of numerous state laws, Defendants (a) repeatedly solicit individuals to pay significant fees for legal immigration-related services, (b) misrepresent to the public their ability and qualifications to provide legal services, and (c) make false promises guaranteeing specific legal results in cases. Victims are then left with substantial fees and face permanent damage to their immigration status as a result of receiving incorrect, unqualified, or incompetent legal advice.

31. Further, Defendants operate in violation of New York State laws governing not-for-profit corporations. Defendant Juarez has engaged in systemic self-dealing and looting of the organizations' assets through improper compensation practices, hiring of family members, and

other interested party transactions. For example, Defendant Juarez has used charitable funds to enrich himself and his family members including his ex-wife and his four children, all of whom are or at various times have been on the payrolls of Defendants IIF and/or IPA, by paying for salaries, bonuses, gifts, loans, health benefits, and various personal expenses and by having for profit entities in which he or his family members have an interest do business with Defendants IIF and/or IPA.

32. The investigation revealed fraud and illegality so pervasive and inextricably ingrained in the operational and financial structures of Defendants IIF and IPA that the organizations must be dissolved to protect the public from further substantial harm.

**Defendants IIF and IPA are Organizationally Intertwined**

33. Defendants IIF and IPA are incorporated as separate not-for-profit corporations. However, there is substantial overlap in the operations and finances of the two organizations, with Defendant IIF acting largely as a conduit for bringing fee-paying clients for legal services to Defendant IPA.

34. Defendants IIF and IPA are controlled by the same individual, Defendant Juarez, and maintain offices in the same building located at 7 West 44<sup>th</sup> Street, New York, New York.

35. Defendant IIF's primary exempt purpose, as stated in the IRS Form 990 it filed with the Attorney General, is to "guide[], lead[], and empower[] immigrants through social services and educational programs that bring and further a genuine sense of belonging." Defendant IIF's certificate of incorporation states that "no part of the income of the corporation shall inure to the benefit of any member, trustee, director, officer of the corporation, or any private individual. . ." and that the corporation "shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c)(3) of the



Internal Revenue Code of 1954.”

36. Defendant IPA’s primary exempt purpose, as stated in the IRS Form 990 it filed with the Attorney General is “[to] serve the needy and the community of the Association with professional services relating to Immigration and Naturalization for free or at nominal rates.” Defendant IPA’s certificate of incorporation states that “[n]o part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons.” In addition, Defendant IPA’s certificate of incorporation states that the Corporation “shall not carry on any other activities not permitted to be carried on [] by a Corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1965.”

37. As set forth below, these representations are false.

**Defendants Engage in a Scheme to Defraud Immigrants**

38. Notwithstanding their stated charitable purposes, Defendants IIF and IPA and their agents engage in an organized scheme that defrauds thousands of immigrants with misrepresentations of their qualifications to perform legal services and false promises of specific legal relief.

39. Since their inception, Defendants IIF and IPA have charged immigrants large sums of money by falsely guaranteeing their ability to obtain immigration visas, permanent residency, and even citizenship. Immigrant groups of various ethnicities and backgrounds have paid for these services; currently, most of Defendant IIF’s members and Defendant IPA’s clients are Latino.

40. Defendants lure victims by falsely claiming to provide free or low-cost legal representation to immigrants, but in fact require individuals and families to pay membership fees

and substantial legal fees in order to receive any services.

41. Defendants demand thousands of dollars in fees and promise to obtain immigration papers even in cases where an individual has no legal basis to change their immigration status.

42. Specifically, individuals who seek any immigration-related legal services are first required to pay an initial registration fee of \$100 plus a monthly fee of \$30 to become and remain members of Defendant IIF. Members are then required to pay a \$500 consultation fee and at least several thousand dollars more to have immigration papers prepared and filed.

43. Members are also required, as a part of their registration fee, to pay for an international citizen photo identification card produced by Defendant IIF. As part of their sales pitch to induce individuals to become members, Defendants' officers and/or key employees falsely claim that the card, which touts the cardholder's affiliation with Defendant IIF, entitles individuals to legal representation or special privileges if detained by immigration or other authorities.

44. Further, Defendant IPA charges legal fees based on the services being provided, rather than the ability of the particular client to pay for them, often resulting in at least several thousands dollars of legal fees on top of the membership fees they must pay to be eligible to obtain assistance with legal matters. This practice is in clear violation of the organization's stated exempt purpose of providing legal services for "free or at nominal rates," as well as applicable Internal Revenue Service rules which permit a not-for-profit provider of legal services to charge fees for legal services only if its fees are based upon the indigent client's limited abilities to pay, rather than the type of service provided.

45. Although Defendant IPA may occasionally make an adjustment in the fee if a

client cannot pay the fee, there is no stated policy to do so and it is not its normal business practice. Further, Defendant IPA's charges include the cost of any newspaper advertising that the law requires in conjunction with certain types of immigration applications — advertising which Defendant IPA has placed through businesses in which Defendant Juarez has an ownership interest.

46. Further, despite Defendant IIF's promise to provide other, non-legal services to immigrants, such as English language classes, it rarely provides them. Instead, Defendant IIF's primary role is to funnel paying customers to Defendant IPA.

47. As discussed below, Defendant IPA demands thousands of dollars in fees and promises to obtain immigration papers even in cases where an individual has no legal basis to change their immigration status.

48. Additionally, Defendants IIF and IPA engage in a fraudulent scheme to deceive immigrants into believing their fees are tax deductible, when they are not. Specifically, Defendants IIF and IPA issue receipts for legal fees paid that couch those fees as voluntary contributions, thereby purporting to entitle the recipients to claim a federal or state tax deduction with respect to those fees, even though such fees are not tax-deductible.

**Defendants Engage in the Unauthorized Practice of Law and Violate Civil Rights Laws**

49. New York State law expressly prohibits non-lawyers from providing legal advice or conveying the impression that they are lawyers or qualified to provide legal services.

50. New York residents seeking assistance in immigration matters may retain the services of a licensed attorney or, alternatively, seek out the services of certain non-lawyers, known as "immigrant assistance service providers."

51. However, immigrant assistance service providers are only allowed to provide

clerical services, such as completing immigration forms based on information provided by the immigrant consumer, notarizing documents if licensed to do so, translating documents, and mailing documents on behalf of consumers to the required government agencies for processing.

52. Only attorneys and accredited representatives of organizations recognized by the United States Board of Immigration Appeals (“BIA”) may represent immigrants before federal immigration authorities. An individual who is not an attorney can obtain accreditation only through an organization recognized by the BIA.

53. Neither Defendant IIF nor Defendant IPA is a recognized organization by the BIA. As stated earlier, Defendant IIF has sought accreditation from the federal government but has been denied. Further, there is no record of Defendant IPA filing any application for accreditation from the federal government.

54. As a result, their members and clients cannot, as a matter of law, be represented before the immigration courts or any other government immigration agency by non-lawyers — a significant limitation on Defendant IPA’s ability to service its clients.

55. Nevertheless, officers and/or key employees of Defendant IIF who are not lawyers, including Defendant Juarez, have improperly provided and continue to provide legal services, including legal advice, and represent immigrants at significant costs. Further, the legal advice they provide is often wrong as a matter of law.

56. Non-lawyers regularly meet with members at Defendant IIF’s offices to give them legal advice, which is often inaccurate. Moreover, consumers are under the impression they are interacting with licensed attorneys, when they are in fact meeting with non-lawyers.

57. The former General Counsel of Defendant IPA, K. Steven Zimmerman, in a signed affidavit, stated that Defendant Juarez – a non-lawyer – repeatedly engages in the

unauthorized practice of law by conducting legal consultations and making decisions on client's cases. Despite Zimmerman's requests, both orally and in writing, to Defendant Juarez to cease this practice, Defendant Juarez refused to stop and the improper practices continued.

58. In some cases, Defendant Juarez purports to give legal advice that is directly contrary to the legal advice of Defendant IPA's per-diem and temporary lawyers. For example, in May 2009, Defendant Juarez demanded that an L-Visa application be prepared for a client. An L-Visa application is an intra-company transfer visa benefiting multi-national companies seeking to relocate their employees to their offices within the United States. Mr. Zimmerman concluded that the client did not qualify for the L-Visa and that such application would be fraudulent, as the purported employer did not exist and there was no evidence that the client had worked for an overseas company for at least one year prior to the application as required. Nonetheless, Defendant Juarez ordered the filing of the application. Marc Bruzdziak, a former lawyer for Defendant IPA, also submitted a signed affidavit corroborating these facts.

59. Further, the Attorney General's undercover investigation in September 2009 revealed that non-lawyers were still providing legal advice to immigrants. For example, Inez Defonseca, who is listed in her business card as Director of Membership Relations for Defendant IIF, met with an undercover investigator and advised him on how to obtain legal permanent residency in the United States, suggesting that he find a woman to marry and fill out specific forms for employer sponsorship. Although she is not an attorney in New York State or any other jurisdiction, Ms. Defonseca assured the investigator that she was a lawyer, and proceeded to ask when and how he had entered the country. The investigator stated to Ms. Defonseca that he had entered without inspection by authorities four (4) years ago. Ms. Defonseca advised him that his only option for adjusting his immigration status was to find a "wife" and file a marriage petition

or find an employer to sponsor him--this despite the fact that, under current law, an individual who entered the United States four (4) years ago without inspection may not adjust his/her status through either a relative petition or an employer sponsorship. The information Ms. Defonseca provided about her status as an attorney was false, and her legal advice wrong.

60. Another employee, Luz Agudelo, who is listed in her business card as Director of Immigration Counseling for Defendant IPA, also recently provided legal advice to an undercover investigator. After inquiring as to the investigator's immigration status, Ms. Agudelo reassured him that his only possibility for gaining legal status in the United States is through a relative petition or an employer sponsorship. Similarly, Ms. Agudelo is not an attorney in New York or any other jurisdiction in the United States. And similarly, the information Ms. Agudelo provided was wrong.

61. The Attorney General's Office obtained additional evidence, as recently as January 2010 from former employees Rhonda deJean and Ioana Costant, reflecting that non-lawyers in both organizations are still providing legal advice to clients and the advice is often wrong as a matter of law.

62. Other officers and/or key employees also engage in the unauthorized practice of law outside of the organizations' offices. Most notably, Defendant Juarez publishes a weekly newspaper column in a Spanish language newspaper widely circulated in the New York City metropolitan area, in which he frequently discusses immigration laws and provides legal advice to the public. At the end of each column, Defendant Juarez invites the public to come to open meetings that he hosts at Defendant IIF's offices so that he can provide attendees with legal advice as to how to change their immigration status.

63. For example, in a February 17, 2009 column, Defendant Juarez claimed that

Section 245(i) of the Immigration and Nationality Act provides all immigrants who have overstayed their visa or entered without inspection an opportunity to adjust their legal status.

64. However, Section 245(i) — a provision of federal law which at one point waived certain violations of immigration laws — has not been in effect since April 30, 2001. As a result, no one entering the United States without inspection after April 30, 2001 can adjust his or her status under Section 245(i).

65. Defendant Juarez further advises readers of his weekly column to call Defendant IIF for legal advice, despite the fact that Defendant IIF has no lawyers on staff. In addition, Defendant Juarez holds weekly radio sessions on a Spanish language radio station in which he answers questions from the public concerning specific legal issues regarding their individual immigration status.

66. Pedro Ariel Tinnirello was one of the victims who first learned about Defendant IIF during an announcement on Spanish language radio discussing immigration issues and how Defendant IIF can help in securing permanent resident status.

67. During his first visit to Defendant IIF in 2001, Mr. Tinnirello was told that he needed to pay \$100 to join the organization and thereafter pay the monthly fee, which was automatically deducted from his checking account. Mr. Tinnirello initially paid the regular monthly fee of \$15, which gradually increased throughout the years to \$30 a month beginning in 2007.

68. Mr. Tinnirello, a citizen of Argentina, explained that he was seeking to adjust his legal status to permanent resident of the United States. Once he was signed up as a member of Defendant IIF, he was told that he would have to pay thousands of dollars to receive those services. He then paid approximately \$5,000 for the processing of a labor certification

application and \$1,500 for additional services.

69. However, no officer or employee of Defendant IIF or Defendant IPA ever informed Mr. Tinnirello that, because he had entered the United States in February of 2001 under a visa waiver program, he would not be permitted to adjust his status, except in certain circumstances that were inapplicable. Consequently, despite paying thousands of dollars to Defendants IIF and IPA, the United States Immigration and Customs Enforcement has notified Mr. Tinnirello that he is subject to deportation back to Argentina together with his wife and five children.

70. Similarly, Jose Bueno lost his opportunity to adjust his immigration status under INA Section 245(i) due to Defendants' negligence, despite having paid Defendants IIF and IPA more than \$18,000 in membership and legal fees since becoming a member of Defendant IIF in 1998.

71. Another client, F.T., also suffered harm as a result of Defendants' actions. Specifically, F.T. was eligible to apply for asylum and lured by Defendants to use their services to this end. He received legal advice from non-lawyers at Defendants' offices and was promised free services. However, Defendants never filed the asylum application for F.T. and refused to return F.T.'s client file, jeopardizing F.T.'s chances for adjustment of status in the United States and potentially subjecting F.T. to deportation.

72. Further, Defendant Juarez's misrepresentation that he is an attorney and otherwise qualified to provide legal advice goes beyond his interactions with Defendant IIF's members. A recent search of public records revealed that Defendant Juarez perpetrated a fraud against the judicial system by appearing before the federal courts in the Southern District of New York as lead attorney in two cases brought by Defendant IIF against government agencies, despite not



being an attorney.

**Defendants Operate in Violation of the Not-for-Profit Corporation Law**

73. Defendants IIF and IPA, as not-for-profits incorporated and operating in the State of New York, are subject to the New York N-PCL. Among other things, the N-PCL laws seek to ensure that organizations are being run properly and lawfully and that charitable assets are being put to appropriate charitable use, and not being wasted or diverted for the benefit of organization insiders. Defendants IIF and IPA, however, have wholly failed to comply with these provisions of the N-PCL.

74. Specifically, Defendant Juarez operates both Defendants IIF and IPA without real board oversight. Instead, Defendants IIF and IPA have Defendant Juarez, who runs the organizations for the benefit of himself, his family, and favored employees and not for the benefit of the immigrant public the organizations purport to serve.

75. In the absence of board oversight, Defendant Juarez and others under his direction have engaged in rampant self-dealing at the expense of Defendants IIF and IPA, including the payment of salaries, bonuses, gifts, loans, health benefits, and various other benefits to himself, his family members, and his close friends.

76. In addition, Defendant Juarez and others under his direction have impermissibly used the assets of the organizations to pay for personal expenses. For example, Defendant IPA has paid for Defendant Juarez's midtown rental apartment (even though he owns a home in suburban New Jersey), as well as his luxury car, car insurance, parking space, cell phone, travel and meal expenses. Furthermore, Defendant IPA's checking account records reveal hundreds of debit card purchases at restaurants, bars, clubs, coffee shops, hotels, and gas stations as well as tens of thousands of dollars in ATM withdrawals. These expenditures or withdrawals were made

without appropriate board approval and/or oversight.

77. Defendant Juarez has further engaged in systemic self-dealing through transactions with for-profit businesses in which he or his family holds a financial interest. For example, Defendant IPA has paid hundreds of thousands of dollars in “professional fees” collectively to: HMB Consulting LLC, a for-profit consulting company owned by Defendant Juarez’s son, Hugo Juarez, Jr.; and Multicultural Marketplace, International Advertising Agency, and M.C.H., Inc., each for-profit businesses in which Defendant Juarez holds a financial interest.

78. In addition, Defendant Juarez engaged in fraud, self-dealing and wasteful transactions in connection with the investment of Defendant IIF in a for-profit company called Kameda International Inc. (“Kameda”). Kameda’s sole asset is the building at 7 West 44<sup>th</sup> Street, New York, New York that came to house both Defendants IIF and IPA.

79. Defendant Juarez is identified in New York Department of State records as Chairman and/or Chief Executive Officer of Kameda and signed an affidavit under oath in which he stated that he is “the sole shareholder of Kameda International, Inc.”

80. Defendant IIF invested \$4,729,573 to purchase 100% of Kameda’s shares. Defendant IPA provided approximately \$1.2 million of the funds Defendant IIF paid to acquire its interest in Kameda. The minutes of Defendant IPA’s board meeting do not reflect any disclosure to Defendant IPA’s board of Defendant Juarez’s interest or ongoing role in Kameda. In fact, they do not reflect any substantive discussion of the transaction whatsoever.

81. The evidence also reflects self-dealing and waste with respect to the office space which Defendant IPA has rented. From September 2001 through at least August 2004, Defendant IPA rented office space at 566 West 183<sup>rd</sup> Street in New York City at a monthly cost of \$5,500 from M.C.H., Inc., a real estate management company in which Defendant Juarez

holds a financial interest. During that same period and into 2005, Defendant IPA was also paying for office space at 1435 Broadway, New York, New York.

82. On January 1, 2004, Defendant IPA entered into a ten-year lease with Kameda, one of Defendant Juarez's for-profit businesses, for office space at its building on 7 West 44<sup>th</sup> Street at a monthly cost of \$17,500. Although Defendant IPA did not move into the 7 West 44<sup>th</sup> Street building until November 2005, it has made monthly rent payments to either Kameda or Defendant IIF for the office space in that building since January 2004. The minutes of Defendant IPA's board meeting do not reflect discussion of the specific terms of the lease that Defendant IPA came to enter into with Kameda, nor of Defendant Juarez's interest in or ongoing control of Kameda, only generalized discussion of the possibility of entering into a "lease at appropriate office space at a building to be acquired by [Defendant IIF]."

83. Defendant Juarez has also engaged in self-dealing or wasteful transactions with other allegedly not-for-profit corporations established by Defendant Juarez. For example, according to financial records filed with the Attorney General, Defendant IIF made a loan or payments to the International Immigrants Chamber of Commerce Corporation ("IICCC") in the amount of approximately \$80,000 in 2004; in later financial statements, these payments were reclassified as "Educational Media Programming Expenses." IICCC is an organization established by Defendant Juarez in August 2004 as a Type A, or non-charitable, not-for-profit organization, but has never received recognition of tax-exempt status from the IRS.

84. Defendant IPA's Board has met, at best, only sporadically, and even then, the records of meetings are perfunctory, and lack any evidence that transactions involving Defendant Juarez, his family, or other board members were reviewed. The minutes not only fail to reflect any disclosure by Defendant Juarez of his interests or that of his family, but also fail to reflect

that Defendant Juarez or his relatives abstained or recused themselves from votes to approve these transactions. Defendant IIF's Board also has not met regularly or, when it has met, has not provided meaningful oversight to the organization.

85. Defendant Juarez's unquestioned authority and control over Defendants IIF and IPA have enabled him to run the organizations without proper board oversight and without meaningful internal controls and policies, resulting in the perpetuation of the looting and wasting described above. Neither Defendants IIF nor IPA has a board qualified to assume control of the organizations on a day to day basis.

**Requested Relief Necessary to Prevent Further Fraud and Harm to the Public**

86. Defendants reaped substantial benefits from their fraudulent conduct, which has resulted in substantial harm to thousands of predominantly Latino immigrants who reside in New York State and have an interest in adjusting their immigration status in the United States.

87. Contrary to the representations Defendants made to induce Latino immigrants to participate in the scheme, many of these victims were not able to adjust their status in the United States.

88. As a result of Defendants' fraudulent and discriminatory acts, individual victims have paid thousands of dollars without having their legal immigration needs met, while the Defendants have benefited financially.

89. Additionally, Defendants reaped substantial profits from their conduct while taking advantage of the benefits that come with their status as not-for-profit corporations.

90. Unless enjoined and ultimately dissolved, Defendants will continue to engage in this fraudulent scheme and will continue to cause substantial injury to thousands of New York State residents.

**FIRST CAUSE OF ACTION:**  
**NEW YORK EXECUTIVE LAW § 63(12)**  
**FRAUD**

91. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

92. New York Executive Law § 63(12) prohibits fraud in the conduct of any business, trade or commerce.

93. Defendants, in their capacity as organizational or individual immigration service providers, carry on, conduct and transact business in connection with these immigration service transactions.

94. By reason of the conduct alleged above, Defendants are repeatedly engaging in fraudulent acts and practices in connection with the transactions in violation of New York Executive Law § 63(12).

**SECOND CAUSE OF ACTION:**  
**NEW YORK GENERAL BUSINESS LAW § 349**  
**DECEPTIVE ACTS AND PRACTICES**

95. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

96. 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.

97. By acting organizationally or individually as immigration service providers, Defendants conduct “business” or provide a “service” within the meaning of New York General Business Law § 349.

98. Defendants engage in one or more of the following deceptive acts or practices in

connection with these immigration service transactions:

- a. misrepresenting to the public that Defendant IIF has a special relationship with United States immigration officials or other government authorities such that an “International Citizen” card sold by Defendant IIF at the rate of \$30 per month would entitle card-carrying individuals to legal representation or special privileges if detained by immigration or other authorities;
- b. misrepresenting to the public that Defendants IIF and IPA are not-for-profit charitable organizations while also reaping substantial profits from the services they offer;
- c. misrepresenting Defendants’ qualifications to provide immigration services;
- d. misrepresenting immigrants’ chances to adjust their status in the United States;
- and
- e. permitting non-lawyers to provide legal services to immigrants.

99. By reason of the conduct alleged above, Defendants are engaging in deceptive business conduct in violation of New York General Business Law § 349.

**THIRD CAUSE OF ACTION:**  
**PURSUANT TO NEW YORK EXECUTIVE LAW § 63(12) – ILLEGALITY**  
**VIOLATIONS OF NEW YORK GENERAL BUSINESS LAW § 349**  
**DECEPTIVE ACTS AND PRACTICES**

100. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

101. A violation of state law constitutes illegality within the meaning of New York Executive Law § 63(12) and is actionable thereunder when persistent or repeated.

102. Defendants’ repeated and persistent violations of GBL Article 22-A, § 349 are thus violations of New York Executive Law § 63(12).

103. By their actions in violation of GBL § 349, Defendants are engaging in repeated and persistent illegality in violation of New York Executive Law § 63(12).

**FOURTH CAUSE OF ACTION:**  
**NEW YORK JUDICIARY LAW § 478**  
**UNAUTHORIZED PRACTICE OF THE LAW BY**  
**DEFENDANT JUAREZ**

104. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

105. New York Judiciary Law § 478 prohibits individuals from practicing or appearing as attorneys-at-law without being admitted and registered. By advising individuals in immigration matters such as instructing individuals on which immigration forms to complete and file with the immigration authorities in order to obtain a certain immigration benefit, advising individuals on the purported best course of action for their immigration matters, and falsely appearing in court as an attorney, Defendant Juarez repeatedly and persistently violated New York Judiciary Law § 478.

106. By reason of the conduct alleged above, Defendant Juarez is engaging in the unauthorized practice of the law in violation of New York Judiciary Law § 478.

**FIFTH CAUSE OF ACTION:**  
**PURSUANT TO NEW YORK EXECUTIVE LAW § 63(12) - ILLEGALITY**  
**VIOLATIONS OF NEW YORK JUDICIARY LAW § 478**  
**UNAUTHORIZED PRACTICE OF THE LAW BY**  
**DEFENDANT JUAREZ**

107. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

108. A violation of state law constitutes illegality within the meaning of New York Executive Law § 63(12) and is actionable thereunder when persistent or repeated.

109. Defendant Juarez's repeated and persistent violations of New York Judiciary Law

§ 478 are thus violations of New York Executive Law § 63(12).

110. By reason of the conduct alleged above, Defendant Juarez is repeatedly and persistently engaging in illegality in violation of New York Executive Law § 63(12).

**SIXTH CAUSE OF ACTION:**  
**VIOLATIONS OF NEW YORK JUDICIARY LAW § 495**  
**UNAUTHORIZED PRACTICE OF THE LAW BY DEFENDANTS IIF AND IPA**

111. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

112. New York Judiciary Law § 495 contains a general prohibition against the provision of legal services by corporations. There is, in relevant part, an exception for non-profit organizations where legal services are furnished “as an incidental activity in furtherance of their primary purpose” or where the not-for-profit organizations “have as their primary purpose the furnishing of legal services to indigent persons.”

113. Neither Defendant IIF nor Defendant IPA qualifies under either prong of the exception. The provision of legal services is not incidental to their primary purpose, but rather is integral to their purpose and operation.

114. Moreover, because of the market rates they charge, Defendants IIF and IPA cannot claim to provide legal services to indigent persons.

115. By reason of the conduct alleged above, Defendants IIF and IPA are engaging in illegal conduct in violation of Judiciary Law § 495.

**SEVENTH CAUSE OF ACTION:**  
**NEW YORK GENERAL BUSINESS LAW §§ 460-a through 460-j**  
**IMMIGRANT ASSISTANCE SERVICE PROVIDERS**

116. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.



117. New York General Business Law, Article 28-C (§§ 460-a through 460-j) regulates the conduct of immigration service providers, defined as any person “providing assistance, for a fee, or other compensation, to persons who have [...] come to the United States [...], in relation to any proceeding, filing or action affecting the non-immigrant, immigrant or citizenship status of a person which arises under the immigration and nationality law, executive order or presidential proclamation, or which arises under actions or regulations of the [United States Citizenship and Immigration Services (“USCIS”), United States Department of Labor, or the United States Department of State].”

118. By failing to provide proper written contracts to their clients, Defendants repeatedly and persistently violate GBL § 460-b.

119. By failing to post signs where Defendants IIF and Juarez provide immigration services, indicating that they are not attorneys and are not authorized to represent individuals before the USCIS or any immigration authority, Defendants IIF and Juarez repeatedly and persistently violate GBL § 460-c.

120. By failing to include the required language in their advertisements indicating that they are not attorneys and are not authorized to represent individuals before the USCIS or any immigration authority, Defendants IIF and Juarez repeatedly and persistently violate GBL § 460-d.

121. Defendants IIF and Juarez repeatedly and persistently violate GBL § 460-e by:

- a. advising each victim on the process to follow and forms required to adjust their immigration status;
- b. retaining fees for services that were not performed or costs not actually incurred;

- c. misrepresenting having a special relationship with immigration authorities that would guarantee special treatment to members of Defendant IIF;
- d. failing to provide customers with copies of documents filed with a governmental entity and/or refusing to return original documents supplied by, prepared on behalf of, or paid for by the customer, upon the request of the customer, or upon termination of the professional relationship;
- e. making false statements and misrepresentations about the process for immigrants to adjust their status in the U.S.; and
- f. guaranteeing and promising to adjust the victims' immigration status even when some victims may have no viable claims to do so.

122. Defendants IIF and Juarez fail to comply with the surety requirement provided by GBL § 460-g.

123. By reason of the conduct alleged above, Defendants IIF and Juarez are engaging in illegal conduct in violation of New York General Business Law §§ 460-a through 460-j.

**EIGHTH CAUSE OF ACTION:**  
**PURSUANT TO NEW YORK EXECUTIVE LAW § 63(12) – ILLEGALITY**  
**VIOLATIONS OF NEW YORK GENERAL BUSINESS LAW §§ 460-a through 460-j**  
**IMMIGRANT ASSISTANCE SERVICE PROVIDERS**

124. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

125. A violation of state law constitutes illegality within the meaning of New York Executive Law § 63(12) and is actionable thereunder when persistent or repeated.

126. Defendants IIF and Juarez's repeated and persistent violations of GBL Article 28-C, §§ 460-a through 460-j are thus violations of New York Executive Law § 63(12).

127. By their actions in violation of GBL §§ 460-a through 460-j, Defendants IIF and Juarez are engaged in repeated and persistent illegal conduct in violation of New York Executive Law § 63(12).

**NINTH CAUSE OF ACTION:**  
**PURSUANT TO NEW YORK EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF NEW YORK CITY IMMIGRATION ASSISTANCE SERVICES LAW**  
**§§ 20-770 through 20-780**

128. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

129. Title 20 of the Administrative Code of the City of New York §§ 20-770 through 20-780 (“NYC Immigration Assistance Services Law”) regulates the conduct of immigration assistance service providers in New York City.

130. Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-771(a) by stating and/or implying that they have a special relationship with the immigration authorities that would result in special favors for members of Defendant IIF.

131. Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-771(b) by retaining fees for services that were not performed or costs not actually incurred.

132. Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-771(c) by failing to provide customers with copies of documents filed with a governmental entity and/or refusing to return original documents supplied by, prepared on behalf of, or paid for by the customer, upon the request of the customer, or upon termination of the professional relationship.

133. Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-771(e) by advising each immigrant on the process to follow and forms required to adjust their immigration status.

134. Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-771(f) by guaranteeing and promising to adjust the victims' immigration status when some victims have no viable claim to do so.

135. By failing to provide written contracts to their clients in English and in a language they would understand, Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-772.

136. By failing to post signs where Defendants IIF and Juarez provide immigration services, indicating that they are not attorneys and are not authorized to represent individuals before the USCIS or any immigration authority, Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-773.

137. By failing to include the required language in their advertisements indicating that they are not attorneys and are not authorized to represent individuals before the USCIS or any immigration authority, Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-774.

138. By failing to retain client documents for three years, Defendants IIF and Juarez repeatedly and persistently violate NYC Immigration Assistance Services Law § 20-775.

139. By reason of the conduct alleged above, Defendants IIF and Juarez are engaging in illegal conduct in violation of NYC Immigration Assistance Services Law §§ 20-770 through 20-780.

140. By their actions in violation of NYC Immigration Assistance Services Law §§ 20-770 through 20-780, Defendants IIF and Juarez are engaging in repeated and persistent illegality in violation of New York Executive Law § 63(12).

**TENTH CAUSE OF ACTION:**  
**PURSUANT TO EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF NEW YORK STATE HUMAN RIGHTS LAW**  
**DISCRIMINATION BASED ON NATIONAL ORIGIN**

141. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

142. New York State Human Rights Law § 296(2)(a) prohibits discrimination in public accommodations based on national origin.

143. In their capacity as immigration service providers, Defendants IIF and IPA, under the direction and control of Defendant Juarez, are places of public accommodation and illegally seek to defraud Latino immigrants based on their national origin.

144. By reason of the conduct alleged above, Defendants IIF and IPA, under the direction and control of Defendant Juarez, are repeatedly engaging in discrimination in connection with the transactions in violation of New York State Human Rights Law § 296(2)(a).

145. By their actions in violation of New York State Human Rights Law § 296(2)(a), Defendants are engaged in repeated and persistent illegal conduct in violation of New York Executive Law § 63(12).

**ELEVENTH CAUSE OF ACTION:**  
**PURSUANT TO EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF NEW YORK CITY HUMAN RIGHTS LAW**  
**DISCRIMINATION BASED ON ALIENAGE,**  
**CITIZENSHIP STATUS AND NATIONAL ORIGIN**

146. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

147. Title 8 of the Administrative Code of the City of New York (“New York City Human Rights Law”) § 8-107(4) prohibits discrimination in public accommodations based on national origin, citizenship status and alienage.

148. In their capacity as immigration service providers, Defendants IIF and IPA, under the direction and control of Defendant Juarez, are places of public accommodation and illegally seek to defraud Latino immigrants based on their national origin, citizenship status and alienage.

149. By reason of the conduct alleged above, Defendants IIF and IPA, under the direction and control of Defendant Juarez, are repeatedly engaging in discrimination in connection with the transactions in violation of New York City Human Rights Law § 8-107(4).

150. By their actions in violation of New York City Human Rights Law § 8-107(4), Defendants are engaged in repeated and persistent illegal conduct in violation of New York Executive Law § 63(12).

**TWELFTH CAUSE OF ACTION:**  
**NEW YORK NOT-FOR-PROFIT CORPORATION LAW**  
**§§ 719(a)(1) and 720(a)(1)(B)**  
**WASTE OF CORPORATE ASSETS**

151. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

152. Defendant Juarez has diverted funds from Defendants IIF and IPA for his own personal use, or the use of his former wife and adult children.

153. Accordingly, Defendant Juarez has caused loss and waste of Defendants IIF and IPA corporate assets and acquired Defendants IIF and IPA corporate assets for himself, rendering him liable to Defendants IIF and IPA under N-PCL § 719(a)(1)(A) and § 720(a)(1)(B).

**THIRTEENTH CAUSE OF ACTION:**  
**NEW YORK NOT-FOR-PROFIT CORPORATION LAW §§ 717 and 720**  
**BREACH OF FIDUCIARY DUTIES**

154. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

155. Defendant Juarez has engaged in private inurement, misappropriating the charitable assets and property of Defendants IIF and IPA for his personal benefit, and the benefit of relatives and insiders.

156. Defendant Juarez has failed to administer in good faith, for charitable purposes, the assets of Defendants IIF and IPA.

157. Defendant Juarez has failed to discharge his duties as officer and director of Defendants IIF and IPA with the degree of care, skill, prudence, diligence, and undivided loyalty required of him in that, among other things, he has (a) allowed the diversion of funds from Defendants IIF and IPA to himself and his relatives and other insiders; and (b) run Defendant IPA in a way that violates the law with respect to the provision of legal services by not-for-profit organizations.

158. By engaging in the foregoing, Defendant Juarez has breached his fiduciary duties to Defendants IIF and IPA in violation of N-PCL § 717.

159. Accordingly, Defendant Juarez is liable in restitution and damages to Defendants IIF and IPA under N-PCL §§ 720(a)(1)(A) and (a)(1)(B) to account for his conduct in the neglect and violation of his duties in the management and disposition of corporate assets, and for his conduct in transferring Defendants IIF and IPA assets to himself and others, and causing loss and waste of Defendants IIF and IPA corporate assets.

**FOURTEENTH CAUSE OF ACTION:**  
**NEW YORK NOT-FOR-PROFIT CORPORATION LAW §§ 706 and 714**  
**UNLAWFUL CONDUCT, NECESSITATING REMOVAL**  
**OF OFFICERS AND DIRECTORS**

160. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

161. Defendant Juarez has consistently and repeatedly breached his fiduciary obligations as officer and director of Defendants IIF and IPA; caused loss and waste of Defendants IIF and IPA's charitable assets, for his own personal gain and for the benefit of relatives and insiders; and consistently and repeatedly caused Defendants IIF and IPA to act outside the authority granted to them by the N-PCL, the Judiciary Law, and their corporate charters.

162. Accordingly, Defendant Juarez should be removed for cause as director and officer of Defendants IIF and IPA, and permanently barred from re-election under N-PCL §§ 706(d) and 714(c).

**FIFTEENTH CAUSE OF ACTION:**  
**NEW YORK NOT-FOR-PROFIT CORPORATION LAW § 1101(a)(2)**  
**EXCEEDING AUTHORITY CONFERRED BY LAW, ACTING CONTRARY TO**  
**CHARTER, ENGAGING IN PRIVATE INUREMENT, PERSISTENT FRAUD AND**  
**ILLEGAL CONDUCT**  
**JUDICIAL DISSOLUTION OF DEFENDANT IIF**

163. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

164. Defendant IIF has exceeded the authority conferred upon it by law, and acted beyond its capacity or power as provided by law and its charter, in that, among other things, Defendant IIF (a) conducts activities for profit or gain, in violation of N-PCL § 102(a)(5)(1); (b) distributes income and profits in violation of N-PCL §§ 102(a)(5)(2) and 515; and (c) engages in



private inurement, in violation of N-PCL § 102(a)(5)(2) and Defendant IIF's Certificate of Incorporation.

165. Defendant IIF has conducted its business in a persistently fraudulent and illegal manner, in that Defendant IIF has held itself out as providing legitimate charitable services for immigrants in New York whereas it really exists to funnel fee-paying clients to Defendant IPA and thereby benefit Defendant Juarez and his family and other insiders.

166. Accordingly, Defendant IIF should be dissolved pursuant to N-PCL §§ 112(a)(1) and 1101(a)(2).

**SIXTEENTH CAUSE OF ACTION**  
**NEW YORK NOT-FOR-PROFIT CORPORATION LAW § 1101(a)(2)**  
**EXCEEDING AUTHORITY CONFERRED BY LAW, ACTING CONTRARY TO**  
**CHARTER, ENGAGING IN PRIVATE INUREMENT, PERSISTENT FRAUD AND**  
**ILLEGAL CONDUCT**  
**JUDICIAL DISSOLUTION OF DEFENDANT IPA**

167. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

168. The Internal Revenue Code and accompanying regulations permit a tax-exempt not-for-profit corporation to charge for legal services only if "its fees are based upon the indigent client's limited abilities to pay rather than the type of service rendered." In the case of Defendant IPA, the rates paid by clients are set by reference to the type of service provided and without reference to an individual client's ability to pay. Causing clients to pay such rates is not only unfair and unlawful, but it also violates the prohibition in Defendant IPA's Certificate of Incorporation against "carry[ing] on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code [ . . . ]."

169. Defendant IPA has exceeded the authority conferred upon it by law, and acted beyond its capacity or power as provided by its charter, in that, among other things, Defendant IPA (a) conducts activities for profit or gain, in violation of N-PCL § 102(a)(5)(1); (b) distributes income and profits, in violation of N-PCL §§ 102(a)(5)(2) and 515; (c) engages in private inurement, in violation of N-PCL § 102(a)(5)(2) and Defendant IPA's Certificate of Incorporation; and (d) charges fees in a manner inconsistent with its tax-exempt status.

170. Defendant IPA has conducted its business in a persistently fraudulent and illegal manner, in that it (a) holds itself out as providing legal services free of charge or for nominal fees, whereas in fact the rates it charges approach or exceed the rates charged by private, profit making firms; (b) regularly has non-lawyers providing legal advice; (c) has allowed promises to be made, by non-lawyers, about the results that can be obtained for a particular client, where there is not a reasonable ground to believe that that result can be achieved; and (d) has collected fees from clients where services were not provided or were not adequately provided in return.

171. Accordingly, Defendant IPA should be dissolved pursuant to N-PCL §§ 112(a)(1) and 1101(a)(2).

**SEVENTEENTH CAUSE OF ACTION:**  
**NEW YORK NOT-FOR-PROFIT CORPORATION LAW § 1102**  
**WASTING OF CORPORATE ASSETS AND PERPETUATION**  
**OF CORPORATION SOLELY FOR PERSONAL BENEFIT**  
**JUDICIAL DISSOLUTION OF DEFENDANT IIF**

172. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

173. Under N-PCL § 112(a)(7), the Attorney General may maintain an action to "enforce any right given under this chapter to . . . a director or an officer of a Type B . . . corporation." Under N-PCL § 1102(a)(2)(D), any director of a not-for-profit corporation may

petition the court for judicial dissolution where the “directors in control of the corporation have looted or wasted the corporate assets, have perpetuated the corporation solely for their personal benefit, or have otherwise acted in an illegal or fraudulent manner.”

174. Defendant Juarez, as the President of Defendant IIF has wasted its corporate assets, perpetuated the corporation for personal benefit and otherwise acted in an illegal, oppressive, or fraudulent manner.

175. Accordingly, Defendant IIF should be dissolved in accordance with N-PCL §§ 1102(a)(2)(D and 112(a)(7).

**EIGHTEENTH CAUSE OF ACTION:**  
**NEW YORK NOT-FOR-PROFIT CORPORATION LAW § 1102**  
**WASTING OF CORPORATE ASSETS AND PERPETUATION**  
**OF CORPORATION SOLELY FOR PERSONAL BENEFIT**  
**JUDICIAL DISSOLUTION OF DEFENDANT IPA**

176. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

177. Under N-PCL § 112(a)(7), the Attorney General may maintain an action to “enforce any right given under this chapter to . . . a director or an officer of a Type B . . . corporation.” Under N-PCL § 1102(a)(2)(D), any director of a not-for-profit corporation may petition the court for judicial dissolution where the “directors in control of the corporation have looted or wasted the corporate assets, have perpetuated the corporation solely for their personal benefit, or have otherwise acted in an illegal or fraudulent manner.”

178. Defendant Juarez, as the director in control of Defendant IPA, has wasted its corporate assets, perpetuated the corporation for personal benefit and otherwise acted in an illegal, oppressive, or fraudulent manner.

179. Accordingly, Defendant IPA should be dissolved in accordance with N-PCL §§ 1102(a)(2)(D and 112(a)(7).

**NINETEENTH CAUSE OF ACTION:**  
**NOT-FOR-PROFIT CORPORATION LAW §§ 1202 and 1203**  
**RECEIVERSHIP OF IIF AND IPA**

180. The Attorney General repeats and re-alleges, as though fully set forth herein, all of the preceding paragraphs.

181. N-PCL §§ 1202 and 1203 allow the Court to appoint a temporary or permanent receiver in any action brought by the Attorney General pursuant to § 112.

182. The appointment of a receiver is needed to ensure the orderly administration of IIF and IPA and prevent the loss of Defendants IPA and IIF's property and/or assets until a final judgment is issued.

**PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiff respectfully requests that a judgment and order be issued:

1. permanently enjoining Defendants from violating Executive Law § 63(12), GBL Article 22-A, GBL Article 28-C, the Judiciary Law, Not-for-Profit Corporation Law, New York City Immigration Assistance Services Law, New York State and New York City Human Rights Laws and from engaging in the discriminatory, fraudulent, deceptive and illegal acts and practices alleged in the Verified Complaint;
2. permanently enjoining Defendants from conducting business in the State of New York involving the provision of immigration services;
3. permanently enjoining Defendants from engaging in the unauthorized practice of law;
4. permanently enjoining Defendant Juarez from serving as officer, director, trustee

or equivalent positions at Defendants IIF or IPA or any other not-for-profit corporation, in the future;

5. removing Defendants Juarez as director and officer of either Defendant IIF and/or Defendant IPA;

6. holding Defendant Juarez liable for his waste and misappropriation of Defendants IIF and IPA's assets, in an amount to be determined at trial;

7. permanently enjoining Defendants from converting, transferring, selling or otherwise disposing of funds belonging to or received from Defendants IIF or IPA;

8. directing Defendants to pay a penalty to the State of New York for each violation of GBL Article 22-A, pursuant to GBL § 350-d;

9. directing Defendants to pay a penalty to the State of New York for each violation of GBL Article 28-C, pursuant to GBL § 460-h;

10. awarding Plaintiff additional costs of \$2,000 against Defendants pursuant to CPLR § 8303(a)(6);

11. dissolving Defendants IIF and IPA;

12. appointing a receiver for Defendants IIF and IPA for the purpose of preserving the assets of Defendants IIF and IPA and overseeing the orderly operation and dissolution of Defendants IIF and IPA during the pendency of this action; and

13. granting Plaintiff such other and further relief as this Court finds appropriate and equitable, including injunctive, monetary and declaratory relief as may be required in the interests of justice.

Dated: New York, New York  
January 14, 2010


ANDREW M. CUOMO  
Attorney General of the State of New York

CIVIL RIGHTS BUREAU

By:



Alphonso B. David  
Bureau Chief



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CHARITIES BUREAU



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Bureau Chief

Caroline Press  
Assistant Attorney General

Loren Kittilsen  
Assistant Attorney General

**VERIFICATION**

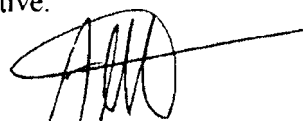
STATE OF NEW YORK     )  
COUNTY OF NEW YORK   ) ss:

ALPHONSO B. DAVID, being duly sworn, deposes and says:

I am Bureau Chief for Civil Rights in the office of Andrew M. Cuomo, Attorney General of the State of New York, and am duly authorized to make this verification.

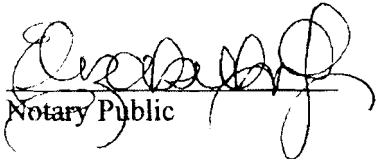
I have read the foregoing complaint and know the contents thereof, which are to my knowledge true, except as to matters stated to be alleged on information and belief, and as to those matters, I believe them to be true. The grounds for my belief as to all matters stated upon information and belief are investigative materials contained in the files of the Attorney General's office.

The reason this verification is not made by Plaintiff is that Plaintiff is a body politic and the Attorney General is its duly authorized representative.



ALPHONSO B. DAVID

Sworn to before me this  
14<sup>th</sup> day of January, 2010

  
Notary Public

**ELIZABETH DE LEÓN**  
Notary Public - State of New York  
No. 02DE6146784  
Qualified in New York County  
Commission Expires May 22, 2010