



## City Attorney Dennis Herrera News Release

---

For Immediate Release:  
December 16, 2013  
Contact: Matt Dorsey  
(415) 554-4662

### **Herrera settles with predatory immigration law partner, netting \$268K for victims**

*After three years of hard-fought litigation, S.F. City Attorney is 'grateful that we're now able to conclude this case with a measure of justice for the victims'*

SAN FRANCISCO (Dec. 16, 2013)—City Attorney Dennis Herrera reached a settlement today in his litigation against Christopher Stender, a licensed lawyer and former president of the Immigration Practice Group, P.C., whom Herrera charged in 2010 with fronting for Martin Guajardo, a notorious predatory immigration ex-lawyer who had resigned from the California Bar amid serious disciplinary charges but continued to solicit clients through the IPG law firm.

Stender will pay a total of \$418,000 under the terms of the settlement signed and submitted in San Francisco Superior Court this morning, with \$268,000 paid directly to Guajardo's and Stender's former clients beginning in July 2014. The agreement requires Stender to provide names, addresses and information sufficient to identify and locate the approximately 1,000 former clients eligible to receive restitution. Stender must also pay another \$150,000 over the next five years to the City Attorney's Office for costs and fees of pursuing the action. The debt will be secured by a deed of trust on Stender's residence in Arizona, which is owned by his wife. The settlement agreement also prohibits Stender from having a business or professional association with Guajardo or any of three other former associates of the IPG law firm for five years, beginning Jan. 1.

"Martin Guajardo partnered with Christopher Stender so he could continue preying on vulnerable clients who often desperately needed immigration counsel—even after Guajardo had resigned in disgrace from the practice of law," said Herrera. "The evidence is clear that Mr. Stender should have known better than to partner with Guajardo, and I'm grateful that we're now able to conclude this case with a measure of justice for the victims. This case should send a dire warning to anyone who would consider exploiting immigrants and their families like Martin Guajardo did, or even partnering with such predators, as Mr. Stender did. Throughout this litigation, I've been thankful to many city leaders and nonprofits whose help has been so instrumental. Supervisor David Campos

[MORE]

has been a particularly invaluable ally in our efforts, as have the Asian Law Caucus, the Immigrant Legal Resource Center, and others. I'm also very grateful to the law firm of Orrick, Herrington & Sutcliffe for their parallel class action on behalf of Guajardo's victims."

As a result of the same mediation and negotiation process, Stender also agreed to settle with the three individual plaintiffs who filed a class action on behalf of former Stender and Guajardo clients for a total of \$32,000. That action had been pursued on a pro bono basis by the law firm of Orrick Herrington and Sutcliffe. The Orrick plaintiffs dismissed their class claims as part of the agreement, choosing instead to allow the City Attorney's Office to distribute restitution to former clients. The distribution arrangement is both more cost-effective and more beneficial to the victims because it will avoid the costly notice and opt-out process that a class action settlement would require.

Martin Guajardo appears to have absconded from San Francisco, and has never been located or served with the complaint since Herrera first filed his litigation on Nov. 17, 2010. Less than a month after the filing, IPG ceased operations and abandoned its Financial District offices at 555 Clay Street. During the three decades he was licensed to practice law in California, Guajardo and his colleagues lured clients into paying exorbitant fees for legal services with empty promises of favorable outcomes and extravagant assurances about his connections in government agencies. Guajardo's clients were not only immigrants themselves, but also family members of immigrants, many of whom faced imminent deportation. But Guajardo was negligent and even fraudulent in his legal representation, often doing little or nothing on cases, providing flawed legal advice, and filing multiple rounds of meritless appeals to further inflate his legal fees. The subject of numerous complaints to the State Bar, Guajardo's license to practice law was suspended twice in the 1990s, and he was frequently upbraided by the courts in which he appeared for substandard work.

After repeated disciplinary actions against him and with charges pending, Guajardo eventually resigned from the bar of the Ninth Circuit Court of Appeals in November 2007. In March 2008, the Board of Immigration Appeals suspended Guajardo from practicing before them. Then, in April 2008, with serious disciplinary charges pending against him, Guajardo resigned from the State Bar of California. The terms of Guajardo's resignation prohibited him from practicing law or representing himself as eligible to practice. He also agreed to inform his clients of his resignation from the legal profession, and to file an affidavit with the State Bar attesting he had done so.

Guajardo, however, honored none of his promises. Instead, he changed the name of his law firm to the Immigration Practice Group, and with the assistance of Stender and others, used the renamed firm as a front for his illegal practice of law and his continued exploitation of desperate immigrants. Stender was made president, treasurer, secretary, sole director and sole shareholder of IPG.

The City's case is: *People of the State of California v. Martin R. Guajardo, Christopher Stender, and Immigration Practice Group P.C., et al.*, San Francisco Superior Court No. CGC-10-505449, filed Nov. 17, 2010. The Orrick class action lawsuit is: *Hernandez et al. v. Martin R. Guajardo et al.*, San Francisco Superior Court No. CGC-10-505450, also filed Nov. 17, 2010.

###

People of the State of California, et al., )  
 )  
 Plaintiff )  
 vs. )  
 Guajardo, Martin, et al. )  
 )  
 Defendants )  
 )  
 \_\_\_\_\_ )

CASE NO. CGC-10-505449

**MEMORANDUM OF UNDERSTANDING**

Jaime Hernandez, et al., )  
 )  
 Plaintiffs )  
 vs. )  
 Guajardo, Martin, et al. )  
 )  
 Defendants )  
 )  
 \_\_\_\_\_ )

CASE NO. CGC-10-505450

**MEMORANDUM OF UNDERSTANDING**

These cases having come before Jerry Spolter Esq. for mediation at the offices of JAMS, and the parties having conferred, this memorandum of understanding memorializes the terms on which the parties have agreed to settle the above-captioned actions. These terms are the following:

1. Defendants Christopher Stender ("Stender") and Immigration Practice Group, P.C. ("IPG") (collectively, "Defendants") shall pay to the People of the State of California (the "People") the total sum of \$418,000.00 in full settlement and compromise of the People's claims in Case No. CGC-10-505449 and in release and discharge of any and all claims and causes of action made in that action, and in release and discharge of any and all claims and causes of action arising out of the events or incidents referred to in the pleadings in that action. Payment of the settlement amount shall be made as follows:

- a) \$218,000.00 for restitution paid on or before December 31, 2013.
- b) \$50,000.00 for restitution paid on or before June 30, 2014
- c) \$150,000.00 for the People's attorney's fees and costs paid in five installments of \$30,000.00 on or before June 30, 2015, June 30, 2016, June 30, 2017, June 30, 2018, and June 30, 2019.

The installment payments shall be documented in a promissory note with reasonable commercial terms from Stender for the benefit of the City Attorney of San Francisco, secured

KCC  
CS  
JML  
KAP

by a lien on the real estate located at [REDACTED]. The settlement will be contingent upon the People obtaining the real estate lien.

- d) If any installment payment provided in subsection (b) or (c) is not paid by the specified date, the entire remaining amount shall accelerate and become due immediately, plus 10% annual interest that would begin to accrue as of the date of nonpayment.

2. Defendants shall pay to Plaintiffs Jaime Hernandez, Jagdeep Singh, and Guillermo Ortega (the "Plaintiffs") the total sum of \$32,000.00 in full settlement and compromise of the Plaintiffs' individual claims in Case No. CGC-10-505450 and in release and discharge of any and all of their individual claims and causes of action made in that action, and in release and discharge of any and all of their individual claims and causes of action arising out of the events or incidents referred to in the pleadings in that action. Payment of the settlement amount shall be made on or before December 31, 2013. Settlement of Case No. CGC-10-505450 is subject to court approval, and the payment due is subject to receipt of court approval.

3. The People and Plaintiffs agree to accept the specified sums in full settlement and compromise of their respective actions and agree that such payments shall fully and forever discharge and release all claims and causes of action, whether now known or now unknown, which the People or Plaintiffs individually have against the Defendants in their respective actions.

4. The settlement shall include an express waiver of Civil Code § 1542, which states:

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

5. The People and Plaintiffs further agree to sign, acknowledge, and deliver to Defendants a standard form of a Release of all such claims and causes of action and to sign and deliver to Defendants a Dismissal with Prejudice in each of the above-captioned actions.

6. As additional consideration for the payments by Defendants specified in this Memorandum, the People and Plaintiffs agree to release all claims and causes of action, related to the People's and Plaintiffs' lawsuits, against Martin Robles; Marie Kayal; Teresa Salazar-Cosmos; Valerie Ly; Thomas

KEC  
CS  
JML  
MAP

Lappin; Federal Immigration Counselors-California; Federal Immigration Counselors-Arizona; Stender & Associates, P.C.; Stender & Lappin, P.C.; and CKKP, Inc.

7. Counsel for each of the parties to this agreement represent that they have fully explained to their clients the legal effect of this agreement and of the Release and Dismissal with Prejudice provided for herein and that the settlement and compromise is final and conclusive forthwith, and each attorney represents that their clients have freely consented to and authorized this agreement.

8. Unless otherwise stated in paragraph 1, each party will bear its own attorneys' fees and court costs.

9. Other terms and conditions:

a) Stender shall not have any business or professional association with Martin Guajardo, Martin Robles, Marie Kayal, or Teresa Salazar-Cosmos for a period of five years from January 1, 2014, with the exceptions that (i) Federal Immigration Counselors in Arizona ("FIC-AZ") may employ Teresa Salazar-Cosmos to render services on behalf of FIC-AZ clients and (ii) Stender may continue to associate with Martin Robles for the purposes of completing his representation of current Federal Immigration Counselors-California clients.

b) Stender shall reasonably cooperate with the Plaintiffs' efforts to obtain funds held in escrow from the sale of Debra Guajardo's properties or to obtain other property from the other named defendants who are natural persons to augment the settlement amounts described herein.

c) Stender shall reasonably cooperate with the City Attorney of San Francisco in identifying former clients of IPG by providing by December 31, 2013 to the City Attorney the names, last known addresses, and last four digits of social security numbers of clients who made payments to IPG. Stender shall also reasonably cooperate with the City Attorney of San Francisco to locate former clients of IPG eligible for restitution by providing further information from his existing records, to the extent legally permissible. If the parties dispute what is reasonable, Jerry Spolter shall determine what constitutes reasonable cooperation

d) Stender shall return complete client files to all former IPG clients upon written request from former clients.

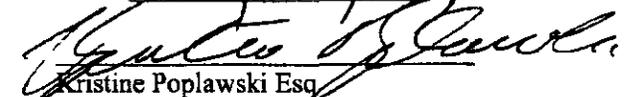
KGC  
ACS  
KAPOML

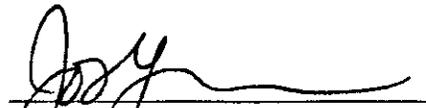
10. Any provisions of Evidence Code §§ 1115 - 1128 notwithstanding, this Memorandum is binding and may be enforced by a motion under Code of Civil Procedure § 664.6 or by any other procedure permitted by law in the applicable state or federal court.

11. This Memorandum is admissible and subject to disclosure for purposes of furthering a settlement agreement pursuant to CCP § 664.6, or any other procedure permitted by law, and the provisions of the confidentiality agreement signed by the parties relative to this mediation are waived with respect to this Memorandum.

Date:

11/15/13

  
Kristine Poplawski Esq.  
Office of the City Attorney of San Francisco

  
Joshua S. White Esq.  
City & County of San Francisco

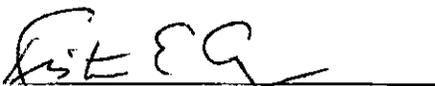
\_\_\_\_\_  
People of the State of California

  
Justin M. Lichterman Esq.  
Orrick, Herrington & Sutcliffe LLP

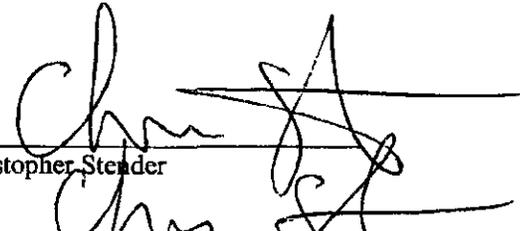
\_\_\_\_\_  
People of the State of California

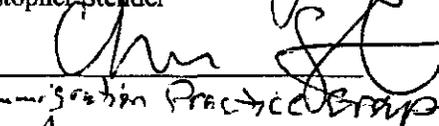
\_\_\_\_\_  
Jaime Hernandez

\_\_\_\_\_  
Jagdeep Singh

  
Kristen E. Caverly Esq.  
Henderson Caverly Pum & Charney LLP

\_\_\_\_\_  
Guillermo Ortega

  
Christopher Stender

  
Immigration Practice Group