



ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
of the
SUPREME COURT OF ILLINOIS

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Chicago
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To the Honorable the Chief Justice
and Justices of the Supreme Court
of Illinois:

The annual report of the Attorney Registration and Disciplinary Commission for 2010 is submitted to the Court, to the members of the Bar of Illinois, and to the public in accordance with Supreme Court Rule 751.

The report is a statement of activities of the Commission for calendar year 2010 and an accounting and audit of the monies received and expended during the twelve-month period that ended December 31, 2010.

Respectfully submitted,

R. Michael Henderson, Chairperson
Joan Myers Eagle, Vice-Chairperson
Derrick K. Baker
John R. Carroll
Brian McFadden
James R. Mendillo
David F. Rolewick, Commissioners

Jerome Larkin, Administrator

Introduction

The Attorney Registration and Disciplinary Commission (ARDC) is the administrative agency that assists the Supreme Court in the regulation of licensed Illinois lawyers. The mission of the ARDC is to promote and protect the integrity of the legal profession, at the direction of the Supreme Court, through attorney registration, education, investigation, prosecution and remedial action.

The ARDC annually evaluates the effectiveness of the attorney disciplinary system in this state. Each year, complete and comprehensive statistics concerning the disciplinary caseload, in conjunction with a report regarding all other substantive work of the ARDC, are submitted to the Illinois Supreme Court and published in an annual report.

In the *2010 Annual Report*, the ARDC has identified a number of significant developments and trends in professional responsibility and lawyer regulatory law. In addition, the annual report includes the findings of an independent auditor that the agency's financial statements are accurate and that the ARDC employs appropriate accounting procedures.

More detailed information covering the Commission's registration, regulatory and public outreach efforts can be found beginning on Page 7, below. The following is a short, summary of the most significant developments for 2010.

Highlights of the Annual Report for 2010

■ Public Outreach Efforts

The ARDC continues to be a leader in providing professional responsibility training and ethics seminars to the profession and the public. The ARDC made substantial efforts to educate the Illinois bar and the public about the ethical obligations of licensed attorneys. In 2010, Commission lawyers and staff gave nearly 200 presentations to bar associations, government agencies, law firms, law schools, public interest groups and other organizations. As a result of these efforts, thousands of Illinois lawyers have had the opportunity to pose questions and learn more about lawyer regulation in this state. The ARDC also provided two recorded MCLE accredited webcasts on its website to educate Illinois lawyers about the new Rules of Professional Conduct that became effective on January 1, 2010. In 2010, a combined total of over 6,600 lawyers watched either of these two ARDC webcasts and were able to earn up to four hours of ethics and professionalism MCLE credit at no cost from viewing these webcasts. Finally, as part of the ARDC's efforts to apprise lawyers of emerging areas of risk, the ARDC sent in October 2010, an e-mail blast to approximately 65,000 lawyers alerting lawyers to internet fraud schemes targeting lawyers.

■ Lawyer Population

The names of 86,657 lawyers were contained on the Master Roll of Attorneys as of October 31, 2010. That number does not include the 2,117 attorneys who took their oath of office in late 2010. The overall lawyer population in Illinois saw an increase of 2.2% over 2009, continuing a trend of steady increases in the lawyer population since 2001, and the largest one-year increase in the Illinois lawyer population since 2005. The number of newly admitted lawyers continues a steady increase first noted in 2005, with at least 2,000 more lawyers each year. The percentage of attorneys reporting a principal address outside Illinois continues to increase, and has reached 27%, a 1% increase over 2009. The counties with the greatest increase in attorney population include McHenry (3.2%), Will (2.5%), Lake (2.4%), and Cook (2.4%).

■ Grievances and Formal Disciplinary Charges

During 2010, the Commission docketed 5,617 investigations into alleged attorney misconduct, a 3.7% decrease from the year before and the fewest number of docketed investigations in 18 years. Similar to years past, the top three areas of a grievance involve problems with the client-attorney relationship including allegations of neglect (38% of all investigations), failing to communicate (21%), and conduct involving fraud or deceit (15%). Consistent with prior years, the top areas of practice most likely to lead to a grievance are criminal law, domestic relations, tort, and real estate. Approximately 75% of grievances were concluded within 90 days after they were initiated.

■ Disciplinary Sanctions

During 2010, the Supreme Court entered 148 sanctions against 148 lawyers and another seven lawyers were reprimanded by the Hearing Board. A little over 43% of the sanctioned lawyers practiced in Cook County, where more than 45% of all lawyers are located. The county with the second highest percentage of sanctioned lawyers was DuPage (5%). There were a record number of lawyers disciplined on a reciprocal basis, as provided in Supreme Court Rule 763, because they had been disciplined in another jurisdiction where they also held a license in addition to their Illinois license. More lawyers were disciplined for engaging in fraudulent or deceptive conduct than any other offense. Of those disciplined, 90% were men and almost 75% of all lawyers disciplined were between the ages of 50 and 74. While men account for 64% of the overall attorney population, 75% of lawyers between 50 and 74 in age are men.

■ Client Protection Program

The Supreme Court of Illinois established the Client Protection Program (CPP) to reimburse clients who lose money due to the dishonest conduct of lawyers who have been disciplined or have died. The maximum available award is \$75,000 per claim and \$750,000 per lawyer. In 2010, CPP approved 89 claims against 30 lawyers. The Program paid \$750,168 to claimants. Four awards were for the \$75,000 maximum, and 51 were for \$2,500 or less. The type of misconduct that led to payouts of the 89 approved claims were unearned fee claims, which constituted 73% of approvals and 23% of payouts, and conversion claims comprised 27% of approvals and 77% of payouts.

■ Pro Bono Legal Services

Despite the recent economic downturn, there was an increase in both the number of lawyers providing *pro bono* legal services and the hours of services as well as the number of lawyers making monetary contributions to legal aid organizations and the amount contributed. For the lawyers registered for 2010, there was a significant increase, despite a weak economy, in both the number of lawyers engaging in *pro bono* legal services and the number of lawyers making monetary contributions to legal aid organizations. 29,276 attorneys indicated that they had provided *pro bono* legal services, as defined by Rule 756, a 7.6% increase over 2009. Those lawyers reported a total of 2,328,770 *pro bono* legal service hours, an increase of 6% over 2009, including 1,238,967 hours of legal service provided directly to persons of limited means, an increase of 11%. The number of lawyers making monetary contributions increased by 6% as well as the total amount contributed in 2010, \$15,266,660, which increased by 2.4% over 2009. Illinois lawyers also paid \$2,712,446 as part of their required registration fee for Lawyers Trust Fund grants for civil legal aid programs.

■ Ethics Assistance to the Bar

The ARDC's *Ethics Inquiry Program*, a telephone inquiry resource, continues to serve Illinois attorneys who seek help in resolving hypothetical, ethical dilemmas. In 2010, staff lawyers responded to 4,606 ethics inquiries, an increase of 11% over last year and more than a 40% increase in the number of inquiries since 2006. Questions about the reporting rule continue to be the greatest area of inquiry posed to the Program. Also, each year, the ARDC publishes and distributes free of charge booklets containing the Rules of Professional Conduct and the Comments to the Rules as well as *The Client Trust Account Handbook*, which details a lawyer's duties under Rule 1.15.

■ ARDC Website

The ARDC web site (www.iardc.org) attracts up to 112,000 visits each month, and in 2010 visitors totaled more than 1.2 million. The top five visited features (excluding lawyer registration) were:

- Lawyer Search - enables visitors to search the Master Roll for certain basic public registration information, including principal address and malpractice insurance information, and public disciplinary information about Illinois lawyers (2,026,253 web pages displayed);
- Clerk's Office Filings and Public Hearings - provides information on recent formal disciplinary decisions from the Supreme Court, recently filed public disciplinary complaints and reports issued by the Hearing and Review Boards as well as the schedule of proceedings scheduled in public disciplinary and reinstatement cases (131,000 web pages displayed);
- How to Submit a Request for an Investigation - provides information about the investigative process, how to file a request for an investigation against a lawyer and a *Request for Investigation* form (35,3224 web pages displayed);
- Ethics Inquiry Program ó provides information about the program, how to make an inquiry, links to legal ethics research sites, the ARDC Speaker Request form and common frequently-asked ethics questions (31,190 web pages displayed); and
- Resources and Links - provides links to websites of the Supreme Court, other agencies, and organizations that the Commission believes would be of interest to visitors (29,923 web pages displayed).

Also, the percentage of lawyers who registered online increased significantly in the past three years from 37% in 2009 to 70% for the 2011 registration year.

2010 Annual Report of the ARDC

I. Educational and Outreach Programs

The ARDC continues to provide professional responsibility training and ethics seminars to the profession and the public. The inclusion of an MCLE requirement for Illinois lawyers and the adoption of the new Rules of Professional Conduct have brought added focus and efforts on educating members of the Illinois bar on their ethical duties. Following the adoption of the new Rules of Professional Conduct on July 1, 2009, the ARDC undertook increased statewide efforts to educate Illinois lawyers regarding these changes prior to the new Rules' effective date of January 1, 2010. Those efforts included sponsoring MCLE accredited seminars, providing Commission lawyers and staff as speakers at hundreds of seminars across the state, operating an ethics hotline and issuing publications that serve as a resource for Illinois lawyers seeking to comply with their ethical duties.

A. MCLE Accredited Seminars Sponsored by the Commission

In 2010, the ARDC, as an accredited MCLE provider in Illinois, produced a recorded webcast entitled *Professional Responsibility Roundtable: A Discussion of the New Lawyer Ethics Rules in Illinois* to further educate Illinois lawyers about the new Illinois Rules of Professional Conduct, which took effect on January 1, 2010. Posted to the ARDC website in May 2010, more than 4,000 lawyers have had the opportunity to hear Justice Anne Burke give the Supreme Court's perspective on the adoption of the new Rules as well as listen to an in-depth panel discussion by ethics experts about the more significant changes to the Rules. Lawyers were able to earn two hours of ethics and professionalism MCLE credit without charge. This webcast was a follow-up to the earlier October 2009 ARDC webcast presented prior to the effective date of the new Rules. With opening remarks by Justice Thomas R. Fitzgerald, the webcast entitled, *What the New Rules of Professional Conduct Will Mean for Your Practice* has been viewed in 2010 alone by more than 2,000 lawyers for two hours of free MCLE credit.

As part of the ARDC's efforts to provide lawyers with opportunities to earn ethics and professionalism MCLE credit at no cost, the ARDC also plans to post in 2011 two new, recorded MCLE webcasts on its website. The first would be a two-hour webcast on the ethical obligations in selling, closing and leaving a law practice, to be made available in Spring 2011. The other webcast would be the *ARDC Professionalism Seminar*. The *ARDC Professionalism Seminar* has been presented for lawyers who have become involved in disciplinary proceedings since 1995 and is taught by a select faculty of distinguished lawyers and other professionals. The seminar focuses on the Rules of Professional Conduct and its practical day-to-day application in operating a law office and in resolving the common ethical dilemmas faced by all lawyers. The *Professionalism Seminar* is accredited for four hours of MCLE credit.

B. Speaking Engagements

An important part of the ARDC's outreach efforts has been to offer experienced presenters to speak to lawyer and citizen groups. In 2010, 23 ARDC Commissioners and staff members made 195 presentations to bar associations, government agencies, law firms, and other organizations. Presentations were made to 32 different county and regional bar associations in every area of the state. While many of the programs focused on the new Rules, others addressed a variety of issues related to lawyer regulation and issues faced by practitioners. As a result of these efforts, many lawyers had the opportunity to meet with members of the ARDC to pose questions about the new Rules. Attendees typically earned MCLE professional responsibility/ethics credit.

C. Ethics Inquiry Program

The Commission's Ethics Inquiry Program, a telephone inquiry resource, continues to serve Illinois attorneys each year who are seeking help in resolving ethical dilemmas. The goal of the Program is to help lawyers understand their professional obligations and assist them in resolving important issues in their practice. The Program provides lawyers with information about professional responsibility law, legal precedent, bar association ethics opinions, law review articles and practical guidelines; the Program does not provide legal advice or a binding advisory opinion. In the last few years, the Program has experienced a significant increase in the number of calls received. In 2010, staff lawyers responded to 4,606 inquiries, an 11% increase over 2009 and a more than 40% increase since 2006. Questions about a lawyer's mandatory duty to report lawyer or judicial misconduct under Rule 8.3 of the Illinois Rules of Professional Conduct continues to be the greatest area of inquiry posed to the Commission's Ethics Inquiry Program (*see* discussion on Lawyer Reports on Page 31). The top 10 subjects of inquiry during 2010 included:

<u>Subject of Inquiry</u>	<u># of calls</u>
Duty to report misconduct.....	417
Maintaining client confidences.....	277
Conflicts (Former client).....	187
Conflicts (Multiple representation).....	165
Handling client trust accounts	157
Multi-jurisdictional practice of law	144
Termination of representation	110
Conflicts (Lawyer's own interest)	109
Communication with represented persons.....	107
Retention/ownership of client files	97
Registration.....	86

Lawyers with inquiries are requested to present their questions in the hypothetical form, and callers may remain anonymous if they so choose, although no record is made of the identity of the caller or the substance of the specific inquiry or response. To make an inquiry, please call the Commission offices in Chicago (312-565-2600) or Springfield (217-522-6838). Additional information about the Program can be obtained at: www.iardc.org/ethics.html.

D. Publications

Each year the Commission publishes and distributes free of charge thousands of copies of the rules governing Illinois lawyers as well as *The Client Trust Account Handbook*, which details a lawyer's duties under Rule 1.15. The Commission has two publications containing the new Rules: *Illinois Rules of Professional Conduct of 2010*, a 120-page booklet containing the new Rules, comments and a topical index; and *Rules Governing the Legal Profession and Judiciary in Illinois*, a 200-page booklet which contains all the rules regulating the legal profession in Illinois, including the Illinois Code of Judicial Conduct and Illinois Supreme Court Rules on admission and discipline. More than 20,000 printed copies of the new Rules booklets have been distributed to lawyers in 2010, in addition to publishing the new Rules on the ARDC website.

The Commission's *The Client Trust Account Handbook*, was republished in January 2010, with new Rule 1.15 and the amendment to the rule dealing with advanced fees. This is the sixth edition of the *Handbook* and the Commission has distributed more than 100,000 copies to lawyers and law schools since its first publication in 1994.

The foregoing publications are available on the ARDC website (www.iardc.org) and in printed

format. To request a printed copy of any publication, please e-mail newrules@iadc.org with your name and mailing address or call the ARDC Chicago office at 312-565-2600 (or toll free at 800-826-8625) or the ARDC Springfield office at 217-522-6838 (or toll free at 800-252-8048).

E. Commission Website

The ARDC website (www.iadc.org), first launched in October 2001, continues to be a source of information regarding all aspects of the regulation of the legal profession in Illinois and recent developments affecting Illinois lawyers. The site attracts up to 93,000 visits each month, and in 2010 visitors totaled more than 1.2 million.

In addition, more than 62,000 lawyers took advantage of the online registration program for the 2011 registration year. The percentage of lawyers who registered online increased significantly from 37% in 2009 to 70% for the 2011 registration year, due in large part to improvements that were made to the online registration process. The most visited feature is the Lawyer Search function, which was used over 2 million times last year, enabling visitors to search the Master Roll for certain basic public registration information, including principal address and public disciplinary information about Illinois lawyers. The site also includes information about the ARDC investigative process and how to request an investigation, a schedule of public hearings and arguments on public disciplinary matters pending before the Hearing and Review Boards, and a searchable database of disciplinary decisions issued by the Supreme Court and reports filed by the disciplinary boards. Also available on the site is information about the Client Protection Program and claim forms as well as information about the Ethics Inquiry Program, and links to other legal ethics research sites.

II. Registration Report

A. Master Roll Demographics

The 2010 Master Roll of Attorneys for the state of Illinois numbered 86,657 attorneys, as of October 31, 2010. After that date, the Commission began the 2011 registration process, so that the total reported as of October 31, 2010 does not include the 2,117 attorneys who first took their oath of office in November or December 2010. The 2010 legal population in Illinois increased by 2.2% over 2009, the largest one-year increase in the Illinois lawyer population since 2005, continuing a trend of increases each year since 2001. *See* Chart 25A, at Page 30. Some of this increase can be attributed to a 14% decrease in the number of lawyers electing retirement status in 2010 versus 2009. *See* Chart 7 on Page 15. Chart 1 shows the demographics for the lawyer population in 2010.

Chart 1: Age, Gender and Years in Practice for Attorneys Registered in 2010

Gender	
Female	36%
Male.....	64%
Years in Practice	
Fewer than 5 years.....	16%
Between 5 and 10 years	17%
Between 10 and 20 years	26%
Between 20 and 30 years	22%
30 years or more	19%
Age	
21-29 years old.....	7%
30-49 years old.....	51%
50-74 years old.....	40%
75 years old or older	2%

Chart 2 provides the breakdown by the registration categories set forth in Supreme Court Rule 756.

Chart 2: Registration Categories for 2010

<u>Category</u>	<u>Number of Attorneys</u>
Admitted between January 1, 2009, and October 31, 2010.....	3,208
Admitted between January 1, 2007, and December 31, 2008	5,410
Admitted before January 1, 2007	63,499
Serving active military duty.....	301
Serving as judge or judicial clerk.....	1,597
Birthday before December 31, 1934.....	1,335
In-House Counsel under Rule 716	416
Foreign Legal Consultant under Rule 713	16
Legal Service Program Counsel under Rule 717.....	7
Pro Bono Authorization under Rule 756(j).....	24
Inactive status	<u>10,844</u>
Total attorneys currently registered	86,657

Charts 3 and 4 show the distribution by judicial district, circuit and county of the 63,638 registered active and inactive attorneys who reported a principal address in Illinois. The distribution of the attorney population in Illinois did not significantly change in 2010. Of the 102 counties, 37 counties experienced a slight increase in the number of attorneys from 2009, 34 experienced a slight decrease and 31 remained the same. The First District (Cook County) experienced the largest increase in 2010 at 2.3% and the other four districts remained the same.

Chart 3: Registration by Judicial Districts: 2006-2010

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
First District						Fourth District					
Cook County	42,142	43,026	43,761	43,653	44,668	5 th Circuit	257	247	249	252	250
Second District						6 th Circuit	860	853	851	857	854
15 th Circuit	200	203	205	200	195	7 th Circuit	1,230	1,244	1,240	1,256	1,253
16 th Circuit	1,325	1,360	1,380	1,423	1,426	8 th Circuit	198	190	197	188	192
17 th Circuit	761	782	794	807	806	11 th Circuit	<u>643</u>	<u>643</u>	<u>662</u>	<u>649</u>	<u>659</u>
18 th Circuit	3,952	4,015	4,075	4,142	4,185	Total	3,188	3,177	3,199	3,202	3,208
19 th Circuit	<u>3,383</u>	*2,919	*2,987	3,014	3,087	Fifth District					
22 nd Circuit	---*	<u>564</u>	<u>577</u>	<u>561</u>	<u>578</u>	1 st Circuit.....	440	444	448	453	449
Total	9,621	9,843	10,018	10,147	10,277	2 nd Circuit.....	296	288	291	288	296
Third District						3 rd Circuit	725	714	703	689	696
9 th Circuit	198	198	191	187	189	4 th Circuit	244	241	238	241	245
10 th Circuit	896	894	911	930	911	20 th Circuit	<u>764</u>	<u>785</u>	<u>783</u>	<u>780</u>	<u>779</u>
12 th Circuit	866	887	913	926	949	Total	2,469	2,472	2,463	2,451	2,465
13 th Circuit	320	316	327	323	324	Grand Total	60,370	61,466	62,442	62,474	63,638
14 th Circuit	514	500	503	506	495						
21 st Circuit	<u>156</u>	<u>153</u>	<u>156</u>	<u>149</u>	<u>152</u>						
Total	2,950	2,948	3,001	3,021	3,020						

* **Note:** Effective December 4, 2006, McHenry County parted from the 19th Judicial Circuit to form the 22nd Judicial Circuit of Illinois when the Illinois legislature amended the Circuit Courts Act, 705 ILCS 35/1.

Another 23,019 attorneys reported an address outside Illinois but registered as either active (65%) and able to practice under the auspices of their Illinois license or inactive (35%). The number of lawyers reporting an address outside of Illinois continues to increase each year, now accounting for 27% of all lawyers with an Illinois license, a 1% increase over 2009. Those 23,019 attorneys with an out-of-state principal address are not included in Charts 3 and 4.

Chart 4: Registered Active and Inactive Attorneys by County for 2009-2010

Principal Office	Number of Attorneys		Principal Office	Number of Attorneys		Principal Office	Number of Attorneys	
	2009	2010		2009	2010		2009	2010
Adams	122	127	Hardin	4	4	Morgan	40	38
Alexander	8	8	Henderson	5	5	Moultrie	12	12
Bond	11	11	Henry	48	49	Ogle	46	48
Boone	51	52	Iroquois	23	23	Peoria	799	777
Brown	10	10	Jackson	210	208	Perry	20	19
Bureau	38	37	Jasper	6	7	Piatt	25	25
Calhoun	5	5	Jefferson	107	114	Pike	10	9
Carroll	15	12	Jersey	16	16	Pope	6	5
Cass	10	10	Jo Daviess	36	34	Pulaski	4	5
Champaign	552	549	Johnson	9	9	Putnam	7	9
Christian	37	39	Kane	1,146	1,149	Randolph	27	26
Clark	12	11	Kankakee	126	129	Richland	24	24
Clay	15	14	Kendall	94	97	Rock Island	369	360
Clinton	26	26	Knox	60	62	Saline	39	44
Coles	102	106	Lake	3,014	3,086	Sangamon	1,140	1,140
Cook	43,653	44,668	LaSalle	215	215	Schuyler	9	9
Crawford	21	23	Lawrence	17	15	Scott	7	5
Cumberland	10	9	Lee	43	39	Shelby	17	17
DeKalb	183	180	Livingston	43	43	St. Clair	677	682
DeWitt	16	19	Logan	31	32	Stark	8	8
Douglas	24	21	Macon	228	228	Stephenson	60	62
DuPage	4,142	4,185	Macoupin	37	37	Tazewell	105	106
Edgar	18	18	Madison	678	685	Union	26	25
Edwards	6	5	Marion	47	47	Vermilion	110	106
Effingham	47	47	Marshall	11	11	Wabash	13	14
Fayette	18	20	Mason	11	12	Warren	20	21
Ford	13	15	Massac	14	15	Washington	20	19
Franklin	54	59	McDonough	43	42	Wayne	14	12
Fulton	42	42	McHenry	561	579	White	13	12
Gallatin	6	6	McLean	537	545	Whiteside	79	77
Greene	16	17	Menard	11	10	Will	926	949
Grundy	70	72	Mercer	10	9	Williamson	137	130
Hamilton	9	9	Monroe	36	33	Winnebago	756	753
Hancock	17	17	Montgomery	28	28	Woodford	25	24

B. Mandatory Disclosures in Annual Registration

Since 2007, lawyers must provide *pro bono*, trust account and malpractice insurance reports during the annual registration process as required by Supreme Court Rule 756. Pursuant to Supreme Court Rule 756(g), a lawyer is not registered if the lawyer fails to provide any of this information. The information reported by individual attorneys concerning voluntary *pro bono* service and trust accounts is confidential under Supreme Court Rule 766 and is not reported as part of a lawyer's individual listing under Lawyer Search on the ARDC website (www.iardc.org). However, malpractice insurance information is shown in the Lawyer Search section of the ARDC website along with each lawyer's public registration information. The aggregate reports received for the 2010 registration year regarding *pro bono* activities, trust accounts and malpractice insurance are presented below.

1. Report on Pro Bono Activities in 2010 Registration

Under Supreme Court Rule 756(f), Illinois lawyers are required to report voluntary *pro bono* service and monetary contributions on their registration form. While *pro bono* service and contributions are voluntary, the required report serves as an annual reminder to Illinois lawyers that *pro bono* legal service is an integral part of lawyers' professionalism. See IRPC (2010), *Preamble*, Comment [6A]. Despite a weak economy, there was a significant increase in the number of lawyers providing *pro bono* legal services, the aggregate hours of services and monetary contributions. For the lawyers registered for 2010,

29,276, attorneys indicated that they had provided *pro bono* legal services, as defined by Rule 756, a 7.6% increase over 2009. Those lawyers reported a total of 2,328,770 *pro bono* legal service hours, an increase of 6% over 2009, including 1,238,967 hours of legal service provided directly to persons of limited means, an increase of 11%. The number of lawyers making monetary contributions to legal aid organizations increased by 6% with the aggregate contribution amount up by 2.4%.

57,381 attorneys indicated that they had not provided *pro bono* legal services, 9,344 of whom indicated that they were prohibited from providing *pro bono* legal services because of their employment.

Chart 5A provides a four-year breakdown of the *pro bono* hours reported under Rule 756. The reported information does not include hours that legal service or government lawyers provide as part of their employment.

Chart 5A: Report on Pro Bono Hours (2007-2010)

	2007	2008	2009	2010
Type of <i>Pro Bono</i> Services	Service Hours	Service Hours	Service Hours	Service Hours
Legal services to persons of limited means	1,100,323	1,102,907	1,113,778	1,238,967
Legal services to enumerated organizations designed to address needs of persons of limited means	325,088	301,680	375,260	365,371
Legal services to enumerated organizations in furtherance of their purposes	637,128	714,308	660,022	673,051
Training intended to benefit legal service organizations or lawyers providing <i>pro bono</i> services	58,715	73,450	47,981	51,381
TOTAL:	2,121,254	2,192,345	2,197,041	2,328,770

Chart 5B provides a breakdown of monetary contributions for the same four-year period. In 2010, 14,985 lawyers reported that they made contributions to organizations that provide legal services to persons of limited means, an increase of nearly 6% over 2009. The amount contributed in 2010, \$15,266,660, increased by 2.4% over 2009. The reported information does not include the \$42 portion of the registration fee paid by most active status lawyers and remitted to the Lawyers Trust Fund, which distributes grants to programs providing legal assistance in civil matters to low-income Illinois residents. From the 2010 registration year, \$2,712,446 was remitted to the Lawyers Trust Fund. A total of \$20,568,956.00 has been remitted to the Lawyers Trust Fund since the 2003 registration year, the first year the ARDC began collection and remittance of this fee as provided in Supreme Court Rules 751(e)(6) and 756(a)(1).

Chart 5B: Monetary Contributions to Pro Bono Service Organizations (2007-2010)

	2007	2008	2009	2010
Amount Contributed	\$17,615,482	\$14,779,088	\$14,901,582	\$15,266,660
Number of lawyers who made contributions	12,637	13,929	14,156	14,985

2. Report on Trust Accounts in 2010 Registration

Supreme Court Rule 756(d) requires all Illinois lawyers to disclose whether they or their law firm maintained a trust account during the preceding year and to disclose whether the trust account was an IOLTA (Interest on Lawyer Trust Account) trust account, as defined in Rule 1.15(f) of the Rules of Professional Conduct. If a lawyer did not maintain a trust account, the lawyer is required to disclose why no trust account was maintained. Chart 6A sets forth the responses received from the 86,657 lawyers who were registered for 2010. Fifty-one percent of the lawyers reported that they or their law firms maintained a trust account sometime during the preceding 12 months. Of those who reported that they or their law firm did not maintain a trust account, nearly half explained that they were prohibited from an outside practice, because of their full-time employment in a corporation or governmental agency.

Chart 6A: Trust Account Disclosure Reports in 2010 Registration

A. Lawyers with Trust Accounts:	44,330
80.3% with IOLTA trust accounts	
19.7% with non-IOLTA trust accounts	
B. Lawyers without Trust Accounts:	42,327
Full-time employee of corporation or governmental agency (including courts) with no outside practice	23,514
Not engaged in the practice of law.....	10,582
Engaged in private practice of law (to any extent), but firm handles no client or third party funds	8,231

3. Report on Malpractice Insurance

Supreme Court Rule 756(e) requires Illinois lawyers to report whether they carry malpractice insurance coverage and, if so, the dates of coverage. Only sitting judges or magistrates who are exempt from paying a registration fee are exempt from this reporting requirement. The Rule does not require Illinois lawyers to carry malpractice insurance in order to practice law based upon their Illinois license. Chart 6B shows the aggregate number and percentage of lawyers who carry malpractice insurance as reported during the registration process. In 2010, 52.8% of all lawyers reported that they have malpractice insurance, representing a 0.6% decrease from 2009.

Chart 6B: Malpractice Disclosure Reports: 2005-2010

Lawyer Malpractice Insurance	2005	2006	2007	2008	2009	2010
Yes	41,767 (51.9%)	42,445 (51.8%)	44,203 (53.7%)	45,278 (53.9%)	45,498 (53.7%)	45,757 (52.8%)
No	38,716 (48.1%)	39,461 (48.2%)	37,364 (46.3%)	38,630 (46.1%)	39,279 (46.3%)	40,900 (47.2%)

4. MCLE Compliance

Chart 7 shows the number of lawyers who were removed from the Master Roll for the 2005 through 2010 registration years. Starting with the 2009 registration year, lawyers for the first time were removed from the Master Roll for failure to report compliance with the general MCLE requirements. Of the more than 52,000 lawyers with last names beginning from A through M, only 680 lawyers were removed in January 2009, a total of 1.3% as reported in the *2008 Annual Report* (see Page 4). The second reporting group of approximately 35,000 lawyers with last names beginning from N through Z were required to report MCLE compliance by July 31, 2009. In January 2010, 369 active and inactive status lawyers or .09% of the second reporting group were removed by the ARDC for non-compliance. Also removed in January 2010 were 26 newly admitted lawyers who failed to comply with the MCLE Basic Skills course requirement set forth in Supreme Court Rule 793. On January 15, 2011, the ARDC removed 509 active and inactive status lawyers who did not report compliance with MCLE requirements. This covered all attorneys with a last name between the letters A through M. Also, removed were nine newly admitted lawyers for failure to comply with the Basic Skills course requirement.

Chart 7 shows the trend of removals from the Master Roll between 2006 and 2010.

Chart 7: Attorney Removals from the Master Roll: 2006 – 2010 Registration Years

<i>Reason for Removal</i>	2006	2007	2008	2009	2010
Unregistered	1,372	429	961	1,132	1,034
Deceased	274	648	373	322	307
Retired	521	847	901	996	970
Disciplined	55	60	45	44	77
MCLE General Non-Compliance				680*	369
MCLE Basic Skills Non-Compliance			8**	52	26
Total	2,222	1,984	2,288	3,226	2,783

* 2008 was the first year for reporting MCLE General Compliance hours

**2007 was the first year for reporting MCLE Basic Skills hours

III. Report on Disciplinary and Non-Disciplinary Matters

A. Investigations Initiated in 2010

During 2010, the Commission docketed 5,617 investigations, a 3.7% decrease as compared to the number of investigations docketed in 2009, the lowest number of docketed investigations since 1992.¹ Those 5,617 investigations involved charges against 4,016 different attorneys, representing about 4.6% of all registered attorneys. About 22% of these 4,016 attorneys were the subject of more than one investigation docketed in 2010, as shown in Chart 8.

Chart 8: Investigations Docketed in 2010

<i>Investigations per Attorney</i>	<i>Number of Attorneys</i>
1	3,149
2	568
3	183
4	54
5 or more.....	<u>62</u>
	Total: 4,016
<i>Gender</i>	<i>Years in Practice</i>
Female	Fewer than 10 years....
Male.....	10 years or more.....
23%	18%
77%	82%

Charts 9 and 10 report the classification of investigations docketed in 2010, based on an initial assessment of the nature of the misconduct alleged, if any, and the type of legal context in which the facts apparently arose. Chart 9 reflects that the top three most frequent areas of a grievance make up nearly 75% of all grievances and are typically related to client-attorney relations: neglect of the client's cause (38%); failure to communicate with the client (21%); and fraudulent or deceptive conduct, including lying to clients (15%).

¹ In 1992, the method for tracking investigations was changed to count each lawyer named in each investigation as a separate investigation.

Chart 9: Classification of Charges Docketed in 2010 by Violation Alleged

<i>Type of Misconduct</i>	<i>Number*</i>	<i>Type of Misconduct</i>	<i>Number*</i>
Neglect	2,152	Practicing in a jurisdiction where not authorized	48
Failing to communicate with client, including failing to communicate the basis of a fee	1,167	Failing to preserve client confidences or secrets	46
Fraudulent or deceptive activity, including lying to clients, knowing use of false evidence or making a misrepresentation to a tribunal or non-client	853	Aiding in the unauthorized practice of law	43
Improper management of client or third party funds, including commingling, conversion, failing to promptly pay litigation costs or client creditors or issuing NSF checks	335	Failing to supervise subordinates	38
Conduct prejudicial to the administration of justice, including conduct that is the subject of a contempt finding or court sanction	331	Threatening criminal prosecution or disciplinary proceedings to gain advantage in a civil matter	28
Filing frivolous or non-meritorious claims or pleadings	349	Failing to report misconduct of another lawyer or judge	19
Failing to properly withdraw from representation, including failing to return client files or documents	259	Bad faith avoidance of a student loan	16
Excessive or improper fees, including failing to refund unearned fees	259	Practicing after failing to register	13
Conflict of Interest:	250	Inducing/assisting another to violate the Rules	12
Rule 1.7: Concurrent conflicts	165	Incapacity due to chemical addiction or mental condition	10
Rule 1.8(a) Improper business transaction with client	14	Improper division of legal fees/partnership with nonlawyer	9
Rule 1.8(b) Improper acquisition of publication rights	3	Investigation of bar applicant	8
Rule 1.8(c) Improper preparation of instrument benefiting lawyer	4	Improper <i>ex parte</i> communication with judge or juror	8
Rule 1.8(d) Financial assistance to client	5	False statements about a judge, jud. candidate or public official ...	4
Rule 1.8(e) Improper aggregate settlement for multiple clients	3	Improper employment where lawyer may become a witness	3
Rule 1.8(h) Improper limitation on client's right to go to ARDC	2	Improper extrajudicial statement	2
Rule 1.8(i) Improper propriety interest	2	Sexual harassment/abuse or violation of law prohibiting discrimination	2
Rule 1.8(j) Improper sexual relations with client	6	Failing to report discipline in another jurisdiction	2
Rule 1.9: Successive conflicts	35	Abuse of public office to obtain advantage for client	2
Rule 1.10: Imputed conflict	6	Assisting a judge in conduct that violates the judicial code	2
Rule 1.11 Former government lawyer	4	Failure to pay taxes	1
Rule 1.13: Conflict representing organizational client	1	False statements in a bar admission or disciplinary matter	1
Improper trial conduct, including using means to embarrass, delay or burden another or suppressing evidence where there is a duty to reveal	145	Failing to preserve information of prospective client	1
Criminal activity, including criminal convictions, counseling illegal conduct or public corruption	142	Failing to comply with Rule 764	1
Failing to provide competent representation	142	Failing to maintain an appropriate attorney-client relationship with disabled client	1
Prosecutorial misconduct	99	False statement about judge or jud. candidate	1
Not abiding by a client's decision concerning the representation or taking unauthorized action on the client's behalf	79	Judicial candidate's violation of Judicial Code	1
Improper commercial speech, including inappropriate written or oral solicitation	68	No misconduct alleged	266
Improper communications with a party known to be represented by counsel or with unrepresented party	62		

*Totals exceed the number of requests for investigations docketed in 2010 because in many requests more than one type of misconduct is alleged.

Consistent with prior years, the top subject areas most likely to lead to a grievance of attorney misconduct are criminal law, domestic relations, tort, and real estate, as shown in Chart 10.

Chart 10: Classification of Charges Docketed in 2010 by Subject Area

<i>Area of Law</i>	<i>Number</i>
Criminal/Quasi-Criminal.....	1,374
Domestic Relations.....	837
Tort (Personal Injury/Property Damage).....	521
Real Estate/Landlord-Tenant.....	468
Probate.....	298
Labor Relations/Workers'Comp.....	241
Contract.....	248
Bankruptcy.....	192
Debt Collection.....	142
Immigration.....	111
Civil Rights.....	95
Corporate Matters.....	86
Local Government Problems.....	48
Tax.....	25
Patent and Trademark.....	20
Social Security.....	8
Mental Health.....	5
Adoption.....	3
No Area of Law Identified:	
Criminal Conduct/Conviction of Attorney.....	93
Personal misconduct.....	19
Other.....	49
Undeterminable.....	165

B. Investigations Concluded in 2010

If an investigation does not reveal sufficiently serious, provable misconduct, the Administrator will close the investigation. If an investigation produces evidence of serious misconduct, the case is referred to the Inquiry Board, unless the matter is filed directly with the Supreme Court under Rules 757, 758, 761, 762(a), or 763. The Inquiry Board operates in panels of three, composed of two attorneys and one nonlawyer, all appointed by the Commission. An Inquiry Board panel has authority to vote a formal complaint if it finds sufficient evidence to support a charge, to close an investigation if it does not so find, or to place an attorney on supervision under the direction of the panel pursuant to Commission Rule 108. The Administrator cannot pursue formal charges

without authorization by an Inquiry Board panel.

About 5% of investigations concluded in 2010 resulted in the filing of formal charges. Charts 11 and 12 show the number of investigations docketed and terminated during 2006 to 2010, and the type of actions that terminated the investigations in 2010.

Chart 11: Investigations Docketed: 2006-2010

Year	Pending January 1st	Docketed During Year	Concluded During Year	Pending December 31st
2006	1,841	5,801	5,746	1,896
2007	1,896	5,988	6,070	1,814
2008	1,814	5,897	6,127	1,584
2009	1,584	5,834	5,551	1,867
2010	1,867	5,617	5,626	1,858

Chart 12: Investigations Concluded in 2010

Concluded by the Administrator:	
Closed after initial review.....	1,354 (No misconduct alleged)
Closed after investigation.....	3,914
Filed at Supreme Court pursuant to Supreme Court Rules 757, 758(b), 761, 762(a), 763 and 774.....	36
Concluded by the Inquiry Board: 322	
Closed after panel review.....	50
Complaint or impairment petition voted...	271
Closed upon completion of conditions of Rule 108 supervision.....	1
Total.....	5,626

1. Timeliness of Investigations Concluded in 2010

Of the 5,626 investigations concluded in 2010, 5,304 were concluded by the Administrator. Charts 13A through C show the average number of days that the 5,304 investigations concluded in 2010 were pending before either being closed or filed in a formal action. In keeping with the Commission's policy that disciplinary matters be handled expeditiously, codified in Commission Rule 1, Charts 13A through C show the time periods required to conclude investigations. Chart 13A shows that 1,355, or 24%, of the 5,626 investigations concluded in 2010 were closed after an initial review of the complainant's concerns. Ninety-six percent of these 1,355 investigations were concluded within 60 days of the docketing of the grievance. The six staff lawyers who make up the Intake division of the Administrator's staff review most incoming grievances and perform the initial inquiry into the facts to determine whether the written submissions from complainants, read liberally, describe some misconduct by a lawyer. Generally, closures made after an initial review are completed without asking the lawyer to respond, although the lawyer and complainant are typically apprised of the determination.

Chart 13A

1,355 Investigations Closed After Initial Review in 2010			
<i>Average Number of Days Pending Prior to Closure:</i>			
Fewer than 10 days	10 - 20 days	21 - 60 days	More than 60 days
1,041 (76.8)%	77 (5.7)%	184 (13.6)%	53 (3.9)%

In the remaining 4,271 investigations closed in 2010 by the Administrator, the staff determined that an investigation was warranted, and, in most cases, these investigations began with a letter from Intake counsel to the lawyer named in the grievance, enclosing a copy of the complainant's submission and asking the lawyer to submit a written response. The lawyer's written response was usually forwarded for comment to the complainant, and the file was reviewed by Intake counsel after the complainant's reply was received or past due. If, at that stage, the submissions and any back-up documentation obtained demonstrated that the lawyer did not violate professional conduct rules, or at least that a violation could not be proved, Intake counsel closed the file. If counsel determined that further investigation was warranted, the file was reassigned to Litigation counsel who primarily handles investigations that require more extensive investigation or are more likely to lead to formal proceedings.

Chart 13B shows that for the 4,271 investigations closed after a determination to conduct an investigation was made, 2,653, or 62%, were closed by Intake counsel, with 96% of those closed within 90 days of receipt. Chart 13C indicates that 1,264 or 38% were closed by Litigation counsel. 50% of the files referred to Litigation counsel were closed within six months, notwithstanding the fact that investigations at this level are more extensive and time consuming, in order to determine if the filing of formal action is warranted based on the evidence produced during the investigation. How long it takes before an investigation is resolved is influenced by whether the lawyer has addressed all concerns raised during the investigation, whether other sources are cooperating with the ARDC's requests for information, the complexity of the issues, and the amount of information and documents that ARDC counsel must review.

Chart 13B

2,653 Investigations Concluded in 2010 by the Intake Staff After Investigation			
<i>Average Number of Days Pending Prior to Closure:</i>			
Fewer than 90 days	Between 90 to 180 days	Between 180 - 365 days	More than 365 days
76%	20%	3%	1%

Chart 13C

1,264 Investigations Concluded in 2010 by the Litigation Staff After Investigation			
<i>Average Number of Days Pending Prior to Closure:</i>			
Fewer than 90 days	Between 90 - 180 days	Between 180 - 365 days	More than 365 days
24%	26%	29%	21%

C. Hearing Board Matters

Once an Inquiry Board panel authorizes the filing of charges, a formal complaint setting forth all allegations of misconduct pending against the attorney is filed, and the matter proceeds before a panel of the Hearing Board. The Hearing Board functions much like a trial court in a civil case, and each panel is comprised of three members, two lawyers and one nonlawyer, appointed by the Commission. The Commission has hired an adjudication staff separate from the Administrator's office to provide legal assistance to the Hearing Board. Upon filing and service of the complaint, the case becomes public. The panel chair presides over pre-hearing matters. In addition to complaints alleging misconduct filed pursuant to Supreme Court Rule 753, and complaints alleging conviction of a criminal offense under Rule 761, the Hearing Board also entertains petitions for reinstatement pursuant to Rule 767, petitions for transfer to inactive status because of impairment pursuant to Rule 758, and petitions for restoration to active status pursuant to Rule 759. Chart 14 shows the activity before the Hearing Board in 2010. There were 122 cases added to the Hearing Board's docket in 2010, an 11% decrease from 2009. Of those, 111 were initiated by the filing of a new disciplinary complaint.

Chart 14: Matters Before the Hearing Board in 2010

Cases Pending on January 1, 2010	172
Cases Filed or Reassigned in 2010:	
<i>Disciplinary Complaints Filed:</i> *	
➤ Rules 753, 761(d).....	111
<i>Reinstatement Petitions Filed:</i>	
➤ Rule 767.....	6
<i>Petition for Disability Inactive Status Filed:</i>	
➤ Rule 757	3
<i>Remanded by Supreme Court after denial of petition for discipline on consent</i>	2
Total New Cases Filed or Reassigned	122
Cases Concluded During 2010	115
Cases Pending December 31, 2010	179
* The number of cases filed at Hearing is significantly lower than the number of matters voted by Inquiry, because multiple investigations against a particular attorney in which the Inquiry Board has voted a complaint are consolidated into a single complaint for purposes of filing at the Hearing Board.	

Chart 15 shows the demographics of the 111 lawyers who were the subject of a formal complaint in 2010.

Chart 15: Profile of Lawyers Charged in Disciplinary Complaints Filed in 2010

Years in Practice	# of Complaints Filed	% of Complaints Filed	% of Lawyer Population
Fewer than 5	3.....	3%.....	16%
Between 5 and 10	17.....	15%.....	17%
Between 10 and 20	34.....	31%.....	26%
Between 20 and 30	28.....	25%.....	22%
30 or more.....	29.....	26%.....	19%
Age:			
21-29 years old.....	0.....	0%.....	7%
30-49 years old.....	52.....	47%.....	51%
50-74 years old.....	57.....	51%.....	40%
75 or more years old	2.....	2%.....	2%
Gender:			
Female	14.....	13%.....	36%
Male	97.....	87%.....	64%

Chart 16 shows the types of misconduct alleged in the 111 disciplinary complaints filed during 2010, and Chart 17 indicates the areas of practice in which the alleged misconduct arose. The allegations of fraudulent or deceptive activity, failure to communicate and neglect of a client's case, most frequently seen in initial charges as reported in Charts 9 and 10, are also among the most frequently charged in formal complaints.

Chart 16: Types of Misconduct Alleged in Complaints Filed Before Hearing Board in 2010

<i>Type of Misconduct</i>	<i>Number of Cases*</i>	<i>% of Cases Filed*</i>	<i>Type of Misconduct</i>	<i>Number of Cases*</i>	<i>% of Cases Filed*</i>
Fraudulent or deceptive activity	59.....	53%	Improper withdrawal from employment without court approval or avoiding prejudice to client	7.....	6%
Failure to communicate with client	32.....	29%	Improper commercial speech, including improper direct solicitation.....	7.....	6%
Neglect/lack of diligence	32.....	29%	Excessive or unauthorized fees.....	6.....	5%
In many cases where neglect was charged, the neglect was accompanied by one or both of the following:			Misrepresentation to third persons.....	6.....	5%
Misrepresentation to client	18.....		Failure to provide competent representation... 5.....	5.....	5%
Failure to return unearned fees.....	11.....		Unauthorized practice after failure to register 5.....	5.....	5%
Improper handling of trust funds.....	27.....	24%	Unauthorized practice after MCLE removal... 5.....	5.....	5%
Conflict of interest.....	22.....	20%	Assisting client in criminal/fraudulent conduct.....	3.....	3%
Rule 1.7: concurrent conflicts	14.....		Breach of client confidences	3.....	3%
Rule 1.8(a): improper business transaction with client.....	1.....		Inducing/assisting another to violate rules.....	2.....	2%
Rule 1.8(c): improper instrument benefiting the lawyer	1.....		Bad faith avoidance of student loan	1.....	1%
Rule 1.8(d): improper financial assistance to client.....	3.....		Failure to supervise employees.....	1.....	1%
Rule 1.9: successive conflicts.....	3.....		Improper threat of criminal or disciplinary prosecution	1.....	1%
Criminal conduct/conviction of lawyer.....	20.....	18%	Prosecutorial misconduct	1.....	1%
False statement or failure to respond in bar admission or disciplinary matter	18.....	16%	Practicing in a jurisdiction without authority.. 1.....	1.....	1%
Pursuing/filing frivolous or non-meritorious claims or pleadings.....	10.....	9%	Assisted a disbarred lawyer in the unauthorized practice of law	1.....	1%
Offering false evidence or making false statements to tribunal.....	8.....	7%			
Not abiding by client's decision or taking unauthorized action on client's behalf	8.....	7%			

* Totals exceed 111 disciplinary cases and 100% because most complaints allege more than one type of misconduct.

Chart 17: Subject Area Involved in Complaints Filed Before Hearing Board in 2010

<i>Subject Area</i>	<i>Number of Cases*</i>	<i>% of Cases Filed*</i>	<i>Subject Area</i>	<i>Number of Cases*</i>	<i>% of Cases Filed*</i>
Tort	18	16%	Criminal.....	6.....	5%
Probate	15	14%	Bankruptcy.....	3.....	3%
Deceptive, threatening or offensive conduct not arising out of a legal representation.....	15	14%	Debt Collection	3.....	3%
Real Estate.....	13	12%	Civil Rights.....	2.....	2%
Contract.....	11	9%	Corporate Matters.....	1.....	1%
Domestic Relations	10	9%	Immigration	1.....	1%
Criminal Conduct/Conviction	7	6%	Patent/Trademark	1.....	1%
WorkersøComp/Labor Relations	7	6%			

*Totals exceed 111 disciplinary complaints and 100% because many complaints allege several counts of misconduct arising in different areas of practice.

Chart 18 shows the type of action by which the Hearing Board concluded 111 disciplinary cases and four reinstatement petitions during 2010.

Chart 18: Actions Taken by Hearing Board in Matters Terminated in 2010

A. Disciplinary Cases: Rules 753 & 761(d)	
Recommendation of discipline after hearing ..	49
Case closed by filing of petition for discipline on consent other than disbarment.....	44
Case closed by filing of motion for disbarment on consent.....	6
Case closed by administration of a reprimand to respondent.....	7
Recommendation of dismissal after hearing.....	2
Complaint dismissed without prejudice	1
Case closed by death of respondent	1
Case closed by filing of petition for transfer on consent to disability inactive status	<u>1</u>
Total Disciplinary Cases	111
B. Reinstatement Petitions: Rule 767	
Recommendation of Petition denied	2
Petition withdrawn.....	2
Total Matters Terminated	115

Of the 111 disciplinary cases concluded by the Hearing Board in 2010, 45% were closed by the filing in the Supreme Court of a pleading as an agreed matter for discipline on consent, 35% proceeded as contested hearings and 20% were conducted as default hearings because the

lawyer-respondent did not appear and was not represented by counsel.

D. Review Board Matters

Once the Hearing Board files its report in a case, either party may file a notice of exceptions to the Review Board, which serves as an appellate tribunal. The Review Board is assisted by a legal staff hired by the Commission that is separate from the Administratorø office and the Hearing Boardø adjudication staff. Chart 19 shows activity at the Review Board during 2010.

Chart 19: Actions Taken by the Review Board in 2010

Cases pending on January 1, 2010	28
Cases filed during 2010:	
Exceptions filed by Respondent	16
Exceptions filed by Administrator	10
Exceptions filed by both	<u>1</u>
Total.....	27
Cases decided in 2010:	
Hearing Board reversed on findings and/or sanction	17
Hearing Board affirmed	12
Notice of exceptions stricken	<u>2</u>
Notice of exceptions withdrawn	1
Total.....	32
Cases pending December 31, 2010	23

E. Supreme Court Matters

1. Disciplinary Cases

The Supreme Court has sole authority to sanction attorneys for misconduct, except for a reprimand, which can be imposed in a disciplinary case without order of the Court by either the Hearing or Review Board. In 2010, the Court entered 148 sanctions against the same number of lawyers, the highest number of disciplinary sanctions entered by the Court since 2005. Chart 20 reflects the nature of the orders entered.

Chart 20: Disciplinary Sanctions Ordered by the Supreme Court in 2010

Disbarment.....	41
Suspension	74*
Probation.....	15
Censure.....	15
Reprimand.....	3
Total	148

*In addition to the 74 suspensions, the Court also ordered 11 interim suspensions, as reported in Chart 22 at (F) and (J).

Charts 21A and 21B provide demographic information on the 148 lawyers disciplined by the Court and seven lawyers reprimanded by the Hearing Board in 2010. See Chart 18. Other than Board reprimands, the Hearing and Review Board issue reports that include recommendations to the Supreme Court for disposition.

Chart 21A: County of Practice of Lawyers Disciplined in 2010

County	Number Disciplined	County	Number Disciplined
Cook.....	67	Henry.....	1
Out-of-State	49	Jackson	1
DuPage.....	7	Logan	1
Kane.....	5	Ogle.....	1
McLean	3	Randolph	1
Jefferson	2	Rock Island	1
Lake	2	Sangamon	1
LaSalle	2	Vermilion.....	1
McHenry	2	Fulton	1
Madison.....	2	Union.....	1
Will.....	2		
Winnebago	2		

Chart 21B: Profile of Lawyers Disciplined in 2010

Years in Practice	# of Lawyers Discipline	% of Lawyers Disciplined	% of Lawyer Population
Fewer than 5	2.....	1%.....	16%
Between 5 and 10.....	13.....	8%.....	17%
Between 10 and 20	40.....	26%.....	26%
Between 20 and 30	43.....	28%.....	22%
30 or more.....	57.....	37%.....	19%
Age:			
21-29 years old.....	0.....	0%.....	7%
30-49 years old.....	52.....	33%.....	51%
50-74 years old.....	99.....	63%.....	40%
75 or more years old	4.....	4%.....	2%
Gender:			
Female	16.....	10%.....	36%
Male	139.....	90%.....	64%

Disciplinary cases reach the Court in several ways. Chart 22 reflects the disciplinary actions taken by the Supreme Court in the varying procedural contexts in which those matters are presented. There were a record number of lawyers disciplined on a reciprocal basis (33), as provided in Supreme Court Rule 763, because they had been disciplined in another jurisdiction where they also held a license in addition to their Illinois license. In those cases, the lawyer is subject to the same or comparable discipline in Illinois. The matters are presented directly to the Court upon petition, typically without Hearing Board involvement. In addition, the Court allowed 14 consent disbarments on motions filed directly in the Court. The remainder of final disciplinary orders arose from matters initiated by the filing of an action before the Hearing Board. 71% of the Court's orders in these original disciplinary actions involved consent petitions approved by the Hearing Board (44) or an agreed submission of the Report of the Hearing Board (27).

Chart 22: Orders Entered by Supreme Court in Disciplinary Cases in 2010

<p>A. <u>Motions for disbarment on consent: Rule 762(a)</u> Allowed..... 14 Denied without prejudice 0 Total 14</p>	<p>D. <u>Motions to approve and confirm report of Review Board: Rule 753(e)(6)</u> Allowed..... 7 Denied 0 Total..... 7</p>
<p>B. <u>Petitions for discipline on consent: Rule 762(b)</u> Allowed: Suspension..... 20 Suspension stayed in part, probation ordered 7 Suspension stayed in its entirety, probation ordered 4 Censure 13 Total..... 44 Denied..... 2 Total 46</p>	<p>E. <u>Motions to approve and confirm report of Hearing Board: Rule 753(d)(2)</u> Allowed..... 27 Denied..... 0 Total..... 27</p>
<p>C. <u>Petitions for leave to file exceptions to report and recommendation of Review Board: Rules 753(e)(1) and 761</u> Allowed and more discipline imposed than recommended by Review Board..... 10 Denied; dismissal as recommended by Review Board 0 Denied and same discipline imposed as recommended by Review Board 9 Allowed and same discipline imposed as recommended by Review Board 2 Allowed and less discipline imposed as recommended by Review Board 1 Total..... 22</p>	<p>F. <u>Petitions for interim suspension due to conviction of a crime: Rule 761(b)</u> Rule enforced and lawyer suspended 6 Rule discharged 0 Total 6</p>
<p>G. <u>Petitions for reciprocal discipline: Rule 763</u> Allowed..... 33 Denied..... 0 Total 33</p>	<p>H. <u>Petitions for reinstatement: Rule 767</u> Allowed with conditions 3 Denied 3 Petition withdrawn..... 3 Remanded to Hearing Board..... 1 Total 10</p>
<p>I. <u>Motions to revoke probation: Rule 772</u> Allowed, probation revoked and respondent suspended 1 Denied 0 Total 1</p>	<p>J. <u>Petitions for interim suspension: Rule 774</u> Rule enforced and lawyer suspended 5 Rule discharged 5 Total 10</p>

Chart 23 tracks the type of misconduct that led to the 155 sanctions entered in 2010, 148 by the Court and seven Hearing Board reprimands administered in 2010.

Chart 23: Misconduct Committed in the 155 Disciplinary Cases Decided in 2010¹

Types of Misconduct	Number of Cases in Which Sanctions Were Imposed				
	Disbarment	Suspension ²	Probation ³	Censure	Reprimand ⁴
Total Number of Cases:	41	74	15	15	10
Fraudulent or deceptive activity	29	51	6	9	2
Neglect or lack of diligence	12	28	3	2	2
Criminal conduct by the lawyer	11	20	6	2	1
Failure to communicate with client, including					
failure to communicate basis of a fee	13	23	3	2	0
Improper management of client or third party					
funds, including commingling and conversion	10	12	5	3	1
Misrepresentation to clients to cover up neglect.....	11	11	2	2	0
Fee violations, including failure to refund					
unearned fees	7	11	2	2	0
Failure to cooperate with or false statement					
to disciplinary authority.....	7	10	0	0	0
Misrepresentation to a tribunal.....	3	9	1	0	0
Failure to provide competent representation	5	7	0	0	0
Filing false, frivolous or non-meritorious claims					
or pleadings or presenting false evidence.....	1	8	0	0	2
Not abiding by a client's decision concerning					
the representation or taking unauthorized					
action on the client's behalf	1	4	1	1	0
Improper withdrawal, including					
failure to return file.....	1	2	0	0	0
Conflict of interest (1.7: concurrent clients).....	0	4	0	4	0
Conflict of interest (1.8(d): advancing/guaranteeing					
improper financial assistance to client)	0	1	1	0	0
Conflict of interest (1.8(c): improper gift from client) ...	0	1	0	1	0
Conflict of interest (1.8(a): improper business					
transaction with client)	0	2	1	1	0
Inducing/assisting another lawyer's misconduct	3	2	0	1	1
Counseling/assisting a client in criminal or					
fraudulent conduct.....	1	0	0	0	0
Aiding the unauthorized practice of law by nonlawyer...	1	0	1	0	0
False statements about judge or public official	0	2	0	0	0
Misrepresentation to third persons	2	2	0	1	0
Breach of client confidences.....	0	1	0	0	0
Unauthorized practice of law in jurisdiction	1	2	0	0	1
Practice after failure to register	2	1	1	1	0
Practice after removal for noncompliance w/MCLE	0	0	0	1	0
Practice during period of suspension.....	1	2	0	0	0
Improper solicitation or advertising.....	0	1	0	0	0
Prosecutorial misconduct.....	0	1	0	0	0
Improper communication with represented person.....	0	0	0	0	1

1 Totals exceed 155 cases because in most cases more than one type of misconduct was found.
2 Includes 72 suspensions and one suspension stayed in part by probation and one probation revoked and suspension ordered.
3 Suspensions stayed entirely by probation.
4 Includes seven Hearing Board reprimands.

2. *Non-Disciplinary Actions*

In addition to activity in disciplinary cases, the Supreme Court entertains pleadings in non-disciplinary matters that affect an attorney's status. Chart 24 reflects the orders entered in such cases during 2010.

Chart 24: Non-Disciplinary Actions by the Supreme Court for 2010

<i>Rule 758</i>	
Motion for transfer to disability inactive status on consent:	
Allowed.....	2
Denied.....	<u>0</u>
<i>Total</i>	2

3. Registration and Caseload Trends (1996-2010)

Charts 25A and 25B show the registration and caseload trends for the past fifteen years.

Chart 25A: Registration Growth and Disciplinary Investigations (1996-2010)

	Number of Registered Attorneys	% of Growth Over Prior Year	Investigations Docketed	Closure By Administrator No Misconduct Alleged	Closure By Administrator After Investigation	Closure By Inquiry Board After Investigation	Complaint Voted By Inquiry Board*
1996	68,819	2.5%	6,801	1,364	4,946	76	300
1997	70,415	2.3%	6,293	1,202	5,018	81	342
1998	72,149	2.5%	6,048	1,352	4,414	58	272
1999	73,514	1.9%	5,877	1,131	4,268	69	231
2000	73,661	0.2%	5,716	1,146	4,319	87	224
2001	74,311	0.9%	5,811	1,077	4,318	55	273
2002	75,421	1.5%	6,182	1,350	4,360	96	334
2003	76,671	1.7%	6,325	1,396	4,332	61	353
2004	78,101	1.9%	6,070	1,303	4,539	90	320
2005	80,041	2.5%	6,082	1,460	4,239	102	317
2006	81,146	1.4%	5,801	1,319	4,076	76	215
2007	82,380	1.5%	5,988	1,508	4,117	125	279
2008	83,908	1.9%	5,897	1,441	4,305	104	228
2009	84,777	1.0%	5,834	1,322	3,891	79	226
2010	86,777	2.2%	5,617	1,354	3,914	50	271

*Totals are higher than number of complaints filed because a complaint may be based on more than one investigation.

Chart 25B: Disciplinary Proceedings (1996-2010)

	Matters Filed With Hearing Board	Matters Concluded at Hearing Board	Matters Filed With Review Board	Matters Concluded at Review Board	Sanctions Ordered By Court
1996	129	82	22	37	115
1997	129	131	32	24	117
1998	141	139	31	28	138
1999	123	112	28	24	116
2000	119	116	29	32	120
2001	137	129	28	28	123
2002	131	122	36	30	126
2003	141	125	35	30	137
2004	156	170	45	41	149
2005	144	134	28	47	167
2006	108	132	25	23	144
2007	144	121	32	29	120
2008	134	137	31	26	135
2009	137	135	30	31	130
2010	122	115	27	32	148

F. Duty to Report Lawyer Misconduct: Lawyer Reports: 2003-2010

Rule 8.3 of the Rules of Professional Conduct requires Illinois lawyers to report certain instances of lawyer or judicial misconduct. The Illinois Supreme Court's opinion in *In re Himmel*, 125 Ill.2d 531, 533 N.E.2d 790 (1988), established that an attorney's failure to report his unprivileged knowledge of another attorney's serious wrongdoing warranted a suspension from the practice of law. The attorney was prosecuted under Rule 1-103 of the Illinois Code of Professional Responsibility, superseded in 1990 by Rule 8.3, a substantively identical ethics standard. The adoption of the 2010 Rules did not substantially change the duties imposed by Rule 8.3.

Since the *Himmel* decision, the Illinois ARDC has received more than 11,000 reports filed by lawyers and judges against members of the Illinois bar. (See *2007 Annual Report of the ARDC*, pages 25-27, for a twenty-year history of *Himmel* reporting statistics.) An average of 500 reports has been made each year. Although investigations opened as a result of attorney reporting are usually concluded without the filing of formal disciplinary charges, an average of 20.3% of the formal disciplinary caseload between 2003 and 2010 included a charge generated as a result of a lawyer or judge filing an attorney report. Since 2007, the percentage of formal complaints initiated from a report made by an attorney has increased significantly to a four-year average of 28%.

Chart 26 tracks attorney report filings from 2003 through 2010.

Chart 26: Attorney Reports: 2003-2010

Year	Number of Grievances	Numbers of Attorney Reports	Percent of Attorney Reports to Grievances	Number of Complaints Voted	Number of Complaints Voted Involving Attorney Reports	Percent of Attorney Reports to Formal Complaints
2003	6,325	510	8.1%	353	44	12.5%
2004	6,070	503	8.3%	320	42	13.1%
2005	6,082	505	8.3%	317	47	14.8%
2006	5,800	435	7.5%	217	35	16.1%
2007	5,988	525	8.8%	284	82	28.9%
2008	5,897	542	9.1%	228	69	30.2%
2009	5,837	489	7.7%	226	60	26.5%
2010	5,617	497	8.8%	271	73	26.9%
Totals for 2003-2010	47,616	4,006	8.4%	2,216	452	20.3%
Average For 2003-2010	5,952	500	8.3%	277	57	20.3%

IV. Client Protection Program Report

The Supreme Court of Illinois created the Client Protection Program in 1994 to reimburse clients who lost money as the result of the dishonest conduct of an Illinois lawyer who has been disciplined or is deceased. The Program does not cover losses resulting from professional negligence or malpractice and does not consider claims involving fee or contract disputes. Commission Rules 501 through 512 govern the administration of the Program.

The purpose of the Client Protection Program is to promote public confidence in the administration of justice and the integrity of the legal profession. The Program was originally part of the Disciplinary Fund budget, but, since 2007, the Program has been funded by an annual assessment paid by each lawyer and remitted to the Client Protection Program Trust Fund. Rule 756 sets the assessment amount at \$25 per lawyer. The per-award limit is \$75,000 and the per-lawyer limit is \$750,000.

In 2010 the Program collected \$1,704,986 (\$1,613,010 from assessments, \$56,623 from reimbursement, and \$35,353 from interest). The Program approved 89 claims against 30 lawyers and paid \$705,168 to claimants as shown in Chart 27A. Four approvals were for the \$75,000 maximum, and 51 were for \$2,500 or less. The "Claims Denied" figure for 2010 includes 61 claims that were closed as ineligible under the Rules (involved lawyer neither disciplined nor deceased) or withdrawn, and three claims that were closed after the involved lawyer reimbursed the claimant's loss. The three claims reimbursed by the involved lawyers amounted to approximately \$5,400. The Client Protection Program Trust Fund reimbursed the Disciplinary Fund in the amount of \$263,364 for the administrative costs of the Program, including salaries, office overhead, and investigative expenses necessary to the adjudication of Client Protection Program claims. The claims concluded in a given year, as shown in the chart below, may include claims filed in prior years and carried over.

Chart 27A: Client Protection Program Claims: 2002-2010

Year	Claims filed	# Claims Approved	# Claims Denied	For Claims Approved, # Respondent Attys	Total Amounts Paid
2002	187	57	86	31	\$215,564
2003	208	68	83	31	\$477,595
2004	357	153	113	40	\$617,772
2005	242	179	132	46	\$951,173
2006	222	111	69	38	\$843,054
2007	217	90	138	44	\$697,358
2008	224	102	122	56	\$1,029,220
2009	188	81	125	35	\$1,091,473
2010	207	89	108	30	\$705,168

Chart 27B below provides a summary of the claims approved in 2010, by type of misconduct and area of law. For the type of misconduct involved in the 89 approved claims, unearned fee claims constituted 73% of approvals and 23% of payouts and conversion claims were 27% of approvals and 77% of payouts.

Chart 27B: Classification of Approved Client Protection Claims in 2010

Type of Misconduct:	
Failure to refund unearned fees	65
Conversion	24
Area of Law	
Bankruptcy	44 ²
Domestic Relations	9
Family Law.....	9
Probate/Trusts.....	8
Criminal/Quasi-Criminal.....	7
Labor/WorkersøComp	7
Real Estate.....	6
Tort	4
Corporate.....	2
Immigration.....	1
Contract.....	1

² Thirty-three of the bankruptcy claims involved one lawyer, William E. Wells, of Marion, IL. Mr. Wells was disbarred on consent on 2009.

V. Commission Appointments

A. ARDC Commissioners

1. *Retirement of Benedict Schwarz, II*

Benedict Schwarz II, who served as a ARDC Commissioner since 1992 and the Commission Chairperson since 2001, concluded his term of service as a Commissioner. Mr. Schwarz's tenure on the ARDC continues as the Supreme Court appointed him to serve as a member of the Review Board. Mr. Schwarz is a principal in the law firm of *Schwarz & Pucci, LLC* in West Dundee where he concentrates in the area of family law. He is a long-time member and past director of the American Academy of Matrimonial Lawyers (AAML) and is also a mediator. Mr. Schwarz has taught numerous divorce mediation training and conflict resolution seminars and has also co-authored chapters on the subject. He has served as a member of the Board of Directors of the Lawyers Assistance Program (LAP) and is a trained LAP intervenor. Admitted to practice law in 1971, he received his J.D. from The John Marshall Law School.

2. *Appointment of David Rolewick as Commissioner*

The Illinois Supreme Court appointed David F. Rolewick of Wheaton to serve as a Commissioner of the ARDC, effective January 1, 2011. Mr. Rolewick is the managing partner of the law firm of *Rolewick & Gutzke, P.C.* He previously served on the ARDC Review Board (2006-2010) and served as Chairperson in 2010. Prior to his appointment to the Review Board, he was a Hearing Board chair beginning in 1994. Prior to that he served on the Inquiry Board. In 2001, he was appointed by the Illinois Supreme Court to serve as Chair of the Special Supreme Court Committee on Professionalism, and he was then named as Chair of the Supreme Court Commission on Professionalism. In 2006, he was elected to serve as a Director of the Illinois Bar Foundation. Mr. Rolewick was admitted to practice in Illinois and received his J.D. from the

Loyola University School of Law in 1971. He was appointed to fill the vacancy left by Benedict Schwarz II.

3. *R. Michael Henderson Named Commission Chairperson*

The Supreme Court appointed R. Michael (öMickö) Henderson to serve as Chairperson of the ARDC as of January 1, 2011 through December 31, 2012. Mr. Henderson, of counsel to the firm of *Quinn, Johnston, Henderson, Pretorius & Cerulo*, located in Peoria, was appointed to the Commission in 2003 and served for the past year as the Commission's first Vice-Chairperson. He replaces Benedict Schwarz II. A trial and appellate lawyer, Mr. Henderson is a Past President of the Peoria County Bar Association, a Past-President of the Illinois Association of Defense Trial Counsel, a past member of the Illinois State Bar Association Board of Governors, a former Secretary of the Illinois State Bar Association, a member of the Illinois Bar Foundation Board of Directors for several years, and the President of the Lawyers Trust Fund of Illinois (1997-1999). He received his undergraduate degree from the University of Illinois and earned his J.D. from the Loyola University School of Law in Chicago in 1969.

B. Review Board

1. *Appointment of Keith E. Roberts, Jr. as Review Board Chairperson*

In March 2010, Keith E. (öChuckö) Roberts, Jr. was appointed to serve as Chairperson of the nine-member Review Board until December 31, 2012. Mr. Roberts had been a Review Board member since last year and previously served on the Hearing Board. He is the name partner in the Wheaton law firm of *Roberts and Associates, P.C.* where he concentrates his practice in commercial litigation and family law. Mr. Roberts served as President of the DuPage County Bar Association (2005-06) and was appointed to the ABA House of Delegates in 2004. He was admitted in 1983 and received his J.D. from Northern Illinois University.

