

BEFORE THE HEARING BOARD  
OF THE  
ILLINOIS ATTORNEY REGISTRATION  
AND  
DISCIPLINARY COMMISSION

In the Matter of:

JEFFREY MICHAEL MCCARTHY,

Attorney-Respondent,

No. 6208791.

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Commission No. 2025PR00047

COMPLAINT

Lea S. Gutierrez, Administrator of the Attorney Registration and Disciplinary Commission, by her attorney, Tammy L. Evans, pursuant to Supreme Court Rule 753(b), complains of Respondent, Jeffrey Michael McCarthy, who was licensed to practice law in Illinois on May 7, 1992, and alleges that Respondent has engaged in the following conduct which subjects Respondent to discipline pursuant to Supreme Court Rule 770:

COUNT I

*(Dishonesty, Lack of Diligence, Lack of Communication, Failure to Safeguard Client Funds, and Failure to Refund Unearned Fee – K.G.)*

1. At all times alleged in this complaint, Respondent was a solo practitioner in Lockport, handling primarily family law and estate matters. Respondent was the sole signatory on a U.S. Bank National Association IOLTA trust account (“the IOLTA account”), which was entitled “McCarthy Law Office, Ltd. Lawyers Trust Account (IOLTA),” and which Respondent used as a depository of funds belonging, presently or potentially, to the firm’s clients, third parties, or the firm.

2. On January 14, 2021, a man with the initials “D.G.” died unexpectedly. At the time of his death, D.G. was married to a woman with the initials “K.G.,” and the title to their marital home was held in joint tenancy. At the time of his death, D.G. had a pension, life

insurance policy and company stock through his employer, and owned stock certificates that he had inherited from his mother upon her death.

3. On April 14, 2021, K.G. met with Respondent in his law office. Respondent and K.G. agreed that Respondent would complete the paperwork necessary to transfer the stock certificates that D.G. had inherited from his mother to K.G., and to collect the death benefit from D.G.'s life insurance policy, company stock and pension from D.G.'s employer, prepare a quit claim deed to transfer title of the marital home into K.G.'s name, and would establish a living trust for K.G. Respondent and K.G. agreed that K.G. would pay Respondent a \$2,500 retainer that Respondent would bill against at an hourly rate of \$250 as he performed that work. On or about April 14, 2021, K.G. gave Respondent her personal check in the amount of \$2,500. Respondent did not deposit the check into the IOLTA account, instead he negotiated the check and used the funds for his own business or personal purposes.

4. At no time did Respondent have authority from K.G. to use any portion of the \$2,500 retainer that she paid to him for his own business or personal purposes.

5. Respondent's use of the \$2,500 constitutes conversion of funds that belonged to K.G.

6. As of September 2023, approximately two-and-one-half years after agreeing to represent K.G., Respondent had not prepared the quit claim deed, established the living trust, or completed the paperwork necessary to transfer title of the stock certificates that D.G. had inherited from his mother to K.G., collect the death benefit from D.G.'s life insurance policy, company stock, or D.G.'s pension. Between April 2021 and September 2023, K.G. called Respondent's office several times requesting information about the status of the legal work that he agreed to perform on her behalf and left several messages on Respondent's office voicemail.

7. As of October 2023, Respondent had not returned K.G.'s calls or responded to her requests for information, although he was aware of his client's efforts to contact him and of her requests for information about the status of her legal matter.

8. In October 2023, K.G. called Respondent's law office from her work telephone and Respondent answered the phone call. K.G. made an appointment for November 14, 2023, to meet with Respondent to discuss the status of the legal work that Respondent had agreed to perform on her behalf.

9. On November 14, 2023, K.G. and a woman with the initials "R.S." met with Respondent in his law office. During that meeting, K.G. told Respondent that BMO Harris Bank had provided her with the paperwork necessary to collect the company stock from D.G.'s employer, which she did, and that the delay in collecting the stock had resulted in a \$16,223.15 loss in the stock certificates' value due to declines in the stock market. In response, Respondent told K.G. that his employee had lost K.G.'s file and that he would complete the paperwork necessary to transfer title of the stock certificates that D.G. had inherited from his mother to K.G., collect the death benefit from D.G.'s life insurance policy and D.G.'s pension, prepare the quit claim deed for the marital home, and establish a living trust by Thanksgiving, which was less than two weeks away.

10. Respondent did not complete the paperwork necessary to transfer title of the stock certificates that D.G. had inherited from his mother to K.G., collect the death benefit from D.G.'s life insurance policy and D.G.'s pension, prepare a quit claim deed for the marital property, or establish a living trust for K.G.

11. On July 19, 2024, K.G. completed the paperwork and collected D.G.'s pension.

12. On July 26, 2024, K.G. sent a letter to Respondent's law firm via regular mail. In her letter, K.G. asked Respondent to refund the \$2,500 retainer that she provided to him because he had not performed any of the legal work that he had agreed to do, and told Respondent that she had collected D.G.'s pension and company stock from his employer, but had been unable to collect the death benefit from D.G.'s life insurance policy or transfer title of the stock certificates that D.G. had inherited from his mother. K.G. also told Respondent that she had met with another attorney about performing the legal work that Respondent had agreed to perform on her behalf and paid the attorney \$600. Respondent did not respond to K.G.'s July 26, 2024 letter.

13. On August 2, 2024, K.G. sent a second copy of her July 26, 2024 letter described in paragraph 12, above, to Respondent's law firm by regular mail. Respondent did not respond to K.G.'s August 2, 2024 letter.

14. On or about March 14, 2025, Respondent sent a check in the amount of \$2,500 to K.G.

15. By reason of the conduct outlined above, Respondent has engaged in the following misconduct:

- a. failing to act with reasonable diligence and promptness in representing a client, by conduct including failing to prepare a quit claim deed for the marital home, complete the paperwork necessary to collect the death benefit from D.G.'s life insurance policy, pension, and company stock, and transfer title of the stock certificates that D.G. had inherited from his mother to K.G., and establish a living trust for K.G., in violation of Rule 1.3 of the Illinois Rules of Professional Conduct (2010);
- b. failing to keep the client reasonably informed about the status of the matter, by conduct including failing to respond to K.G.'s requests for information regarding the status of the legal work that he agreed to perform on her behalf, in violation of Rule 1.4(a)(3) of the Illinois Rules of Professional Conduct (2010);

- c. failing to promptly comply with reasonable requests for information, by conduct including failing to respond to K.G.'s requests for information regarding the status of the legal work that he agreed to perform on her behalf, in violation of Rule 1.4(a)(4) of the Illinois Rules of Professional Conduct (2010);
- d. using funds or property of clients or third persons for the lawyer's own purposes without authorization, by conduct including using the \$2,500 that K.G. entrusted to Respondent as a retainer fee for Respondent's own purposes without authorization, in violation of Rule 1.15(a) of the Illinois Rules of Professional Conduct (2010);
- e. failing to hold property of clients or third persons that is in a lawyer's possession in connection with a representation separate from the lawyer's own funds or property, by conduct including failing to hold the \$2,500 that K.G. entrusted to Respondent as a retainer fee separate from his own funds, in violation of Rule 1.15(b) of the Illinois Rules of Professional Conduct (2010);
- f. failing to refund an unearned fee, by conduct including failing to return the \$2,500 that Respondent received from K.G. in connection with his representation of K.G., in violation of Rule 1.16(d) of the Illinois Rules of Professional Conduct (2010); and
- g. engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation, by conduct including making the false statement to K.G. that Respondent would prepare the necessary documents to collect D.G.'s pension and the death benefits from D.G.'s life insurance policy, and transfer title of the stock certificates that D.G. had inherited from his mother to K.G., prepare a quit claim deed for the marital home, and establish the living trust by Thanksgiving, in violation of Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

#### COUNT II

*(Failure to Cooperate with a Disciplinary Investigation – 2024IN03438)*

16. The Administrator realleges and incorporates paragraphs one through 14 above.

17. On September 23, 2024, the Administrator received correspondence from K.G. in which she described Respondent's lack of communication and diligence and failure to return an unearned fee. After reviewing the charge, the Administrator docketed investigation number 2024IN03438 into Respondent's alleged conduct.

18. On September 27, 2024, Karyn Bart, intake counsel for the Administrator, emailed Respondent a copy of K.G.'s charge and requested a written response from Respondent within 14 days.

19. On November 8, 2024, after receiving no response from Respondent, Ms. Bart sent a second letter, requesting a response within seven days and informing Respondent that his failure to respond would result in a subpoena being served on him and his being required to appear for a sworn statement. On Tuesday, November 18, 2024, Respondent sent an email to Ms. Bart in which he acknowledged receipt of her letter and stated that he would provide a response to her by the end of the week. Respondent did not respond to Ms. Bart's second letter by the end of the week.

20. As of December 16, 2024, Respondent had not responded to Ms. Bart's second letter, and on that date, Ms. Bart sent an email to Respondent with a subject line of "Third Request-2024IN03438-McCarthy." In her email, Ms. Bart stated that she had not received Respondent's response in the matter and, if it is not submitted, the Administrator may take additional action. Ms. Bart asked Respondent to submit his response within seven days. By January 14, 2025, Respondent still had not provided a response to the Administrator's several requests for information about K.G.'s allegations. On January 14, 2025, and again on January 24, 2025, Kimberly Hammond-Butler, Ms. Bart's paralegal sent an email to Respondent in which she stated that, if Respondent did not submit a response to the Administrator, the

Administrator would issue a subpoena requiring his appearance in the ARDC office. In her January 24, 2025 email, Ms. Hammond-Butler asked Respondent to contact the Administrator as soon as possible on January 24, 2025. On January 27, 2025, at 5:52 a.m., Respondent sent an email to Ms. Bart in which he stated that he had been ill and that he would submit a response within 48 hours. As of January 29, 2025, Respondent had not submitted a response to the Administrator's requests for information. On February 19, 2025, Ms. Bart transferred the file to the litigation division for further investigation.

21. Between February 26, 2025, and March 5, 2025, Jim Easoz, ARDC investigator, made three attempts to personally serve Respondent at his law office and his home with a subpoena to appear for a sworn statement on March 18, 2025.

22. On March 5, 2025, at 8:29 a.m., counsel for the Administrator sent an email to Respondent that included a subpoena to appear for a sworn statement on March 18, 2025, in the Commission's Springfield office. At 8:32 a.m. on March 5, 2025, counsel received confirmation that her email message had been delivered to Respondent. As of 5:00 p.m. on March 5, 2025, Respondent had not responded to counsel's March 5, 2025 email so counsel asked Mr. Easoz to make another attempt to personally serve Respondent the following day. On March 6, 2025, at 6:45 a.m., Mr. Easoz left a copy of the subpoena with Respondent's wife at their home.

23. On March 14, 2025, Respondent sent an email to counsel for the Administrator that included a two-page written response to K.G.'s allegations. In his response, Respondent stated that his delay in responding was due to his recent hospitalizations and requested that the sworn statement scheduled for March 18, 2025 be continued because Respondent had planned to attend his son's collegiate golf tournament in Springfield, Missouri on March 14, 2025, and was

unable to cancel his flight. Counsel for the Administrator agreed to continue the sworn statement for March 27, 2025.

24. On March 27, 2025, Respondent appeared remotely from Florida for the sworn statement. During the sworn statement, Respondent testified that he had not timely filed a response to the Administrator's requests for information because he had been hospitalized in late 2024 and early 2025 for various medical issues and, as a result, his mobility was limited, but he had driven to Florida from Illinois while also attending another of his son's golf tournaments in Alabama. Respondent also testified that the building in which his law firm was located had a water infiltration incident and, as a result, his file room suffered significant water damage. Respondent testified that he lost K.G.'s file when he was removing the water-damaged files from the room. At the conclusion of the sworn statement, counsel for the Administrator asked Respondent to provide a copy of K.G.'s file, documentation of the purported water infiltration incident, and copies of medical records regarding Respondent's purported hospitalizations.

25. On May 16, 2025, counsel for the Administrator sent a letter to Respondent in which she requested that he provide her with additional information including a copy of K.G.'s file, billing statements for any legal work performed on K.G.'s behalf, documentation of the purported water infiltration incident, copies of medical records regarding Respondent's purported hospitalizations, and a list of the dates and locations of his son's collegiate golf tournaments that Respondent attended in 2024 and 2025.

26. On or about May 16, 2025, Respondent received the Administrator's May 16, 2025 letter.

27. On June 26, 2025, counsel for the Administrator sent a second letter to Respondent in which she requested that he provide her with the additional information that she



previously requested in her May 16, 2025 letter. Counsel for the Administrator included a copy of her May 16, 2025 letter with her June 26, 2025 communication.

28. On or about June 26, 2025, Respondent received the Administrator's June 26, 2025 letter.

29. As of August 6, 2025, the date investigation number 2024IN03438 was referred to Panel F of the ARDC's Inquiry Board, Respondent had not provided counsel for the Administrator with any of the additional information that was requested in her May 16, 2025, and June 26, 2025 communications.

30. By reason of the conduct described above, Respondent has engaged in the following misconduct:

- a. failing to respond to a lawful demand for information from a disciplinary authority, by conduct including failing to respond to the Administrator's May 16, 2025 and June 26, 2025 letters, in violation of Rule 8.1(b) of the Illinois Rules of Professional Conduct (2010).

### COUNT III

*(Lack of Diligence, Lack of Communication, and Failure to Refund Unearned Fee – D.C.)*

31. On or about April 7, 2020, Respondent and a woman with the initials "D.C." agreed that Respondent would represent D.C. in a post-judgment matter then pending in Will County and that Respondent would prepare a Qualified Domestic Relations Order ("QDRO") so that D.C. could begin collecting benefit payments from her ex-husband's railroad pension when she turned 60 years old on September 27, 2020. Respondent and D.C. agreed that Respondent would charge D.C. a fee of \$2,155 to draft and file the QDRO. On April 7, 2020, D.C. used her credit card to pay Respondent the \$2,155 fee.

32. On April 14, 2020, Respondent filed his appearance and appeared in court in D.C.'s case.

33. Between April 15, 2020 and September 10, 2020, D.C. contacted Respondent's office approximately 10 times to inquire about the status of her case. As of September 10, 2020, Respondent had not responded to D.C.'s calls, although he was aware of his client's efforts to contact him and of her requests for information about the status of her legal matter.

34. On September 10, 2020, D.C. sent an email to Respondent requesting that he update her on the status of the QDRO.

35. On September 11, 2020, Respondent sent an email to D.C. stating that he had prepared the QDRO but was waiting for approval from the pension administrator before seeking to have it entered by the court.

36. On September 29, 2020, D.C. sent an email to Respondent requesting that he update her on the status of the QDRO. In her email, D.C. told Respondent that she had recently turned 60 and was therefore eligible to receive benefit payments from her ex-husband's railroad pension.

37. On September 29, 2020, Respondent sent an email to D.C. in which he stated that he had just got back from Florida and would follow up with her the next day.

38. On January 25, 2021, D.C. sent an email to Respondent inquiring about the status of the QDRO and asking Respondent why he had not responded to her.

39. At no time between September 30, 2020 and February 8, 2021, did Respondent respond to D.C.'s inquiry about the status of the QDRO.

40. On February 9, 2021, Respondent sent an email to Respondent stating that he had not heard back from the pension administrator and that he would follow up that afternoon.

41. Between February 10, 2021 and March 2024, D.C. called Respondent's law office approximately 18 times (every other month) inquiring about the status of the QDRO. At no time

did Respondent respond to her emails or return her telephone calls, although he was aware of his client's efforts to contact him and of her requests for information about the status of her legal matter.

42. In February 2024, D.C. called Respondent's law office and Respondent answered the phone call. Respondent told D.C. that the QDRO was complete and that he would have the rest of the paperwork ready for her by the end of March 2024.

43. Respondent did not provide D.C. with the QDRO or other paperwork by the end of March 2024.

44. Between April 1, 2024 and April 1, 2025, D.C. called Respondent's law office approximately six times. At no time did Respondent respond to her emails or return her telephone calls, although he was aware of his client's efforts to contact him and of her requests for information about the status of her legal matter.

45. On April 1, 2025, D.C. contacted Respondent's law office and left a message on his office voicemail demanding a refund of the \$2,155 that she paid to him.

46. As of August 6, 2025, the date investigation number 2024IN03438 was referred to Panel F of the ARDC's Inquiry Board, Respondent has not prepared a QDRO for D.C. and has not returned any portion of the \$2,155 fee that D.C. paid to him.

47. By reason of the conduct described above, Respondent has engaged in the following misconduct:

- a. failing to act with reasonable diligence and promptness in representing a client, by conduct including failing to prepare a QDRO for D.C. so that she could receive benefits from her ex-husband's railroad pension, in violation of Rule 1.3 of the Illinois Rules of Professional Conduct (2010);

- b. failing to keep the client reasonably informed about the status of the matter, by conduct including failing to respond to D.C.'s inquiries about the status of the QDRO, in violation of Rule 1.4(a)(3) of the Illinois Rules of Professional Conduct (2010);
- c. failing to promptly comply with reasonable requests for information, by conduct including failing to respond to D.C.'s inquiries about the status of the QDRO, in violation of Rule 1.4(a)(4) of the Illinois Rules of Professional Conduct (2010); and
- d. failing to refund an unearned fee, by conduct including failing to refund the \$2,155 fee that Respondent received from D.C. in connection with his representation of her, in violation of Rule 1.16(d) of the Illinois Rules of Professional Conduct (2010).

WHEREFORE, the Administrator respectfully requests that this matter be assigned to a panel of the Hearing Board, that a hearing be held, and that the panel make findings of fact, conclusions of fact and law, and a recommendation for such discipline as is warranted.

Respectfully submitted,

Lea S. Gutierrez, Administrator  
Attorney Registration and  
Disciplinary Commission

By: /s/ Tammy L. Evans  
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