

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND



42nd Annual Report

July 1, 2016 thru June 30, 2017

Our Mission

The Attorney Grievance Commission of Maryland is dedicated to protecting the public and maintaining the integrity of the legal profession. The Commission, through the Office of Bar Counsel, seeks to encourage and promote the ethical practice of law and the highest standards of professionalism by members of the Bar. In carrying out their functions of evaluating complaints and enforcing ethical standards for lawyers, the Commission and Bar Counsel strive for fairness and equity.

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During the past fiscal year, Glenn M. Grossman retired on January 31, 2017, following nearly 36 years of service to the Commission. Mr. Grossman began his career with the Commission in 1981 as an Assistant Bar Counsel. In 1996, he was appointed to serve as Deputy Bar Counsel and, on July 1, 2010, Mr. Grossman became the third Bar Counsel of the State of Maryland. Raymond A. Hein served as Acting Bar Counsel from February 1, 2017 until the appointment of Lydia E. Lawless as Bar Counsel, effective July 1, 2017.

Also during this past fiscal year, Debra Zachry retired as Office Manager following more than 35 years of service. Ms. Zachry began her employment as a secretary with the Office of Bar Counsel in 1979. She was promoted to Office Manager in 1985 and served in that position until her retirement. Susan Townshend was promoted to Office Manager effective September 16, 2016.

Kendra Randall Jolivet, Esquire stepped down as a member of the Commission. The Court of Appeals appointed Nicole K. Barmore, Esquire to serve the remainder of Ms. Jolivet's term.

The Office of Bar Counsel welcomed Assistant Bar Counsel Amanda A. McCarthy and Investigator Jason Bogue to the staff.

The number of licensed attorneys in Maryland increased slightly from 39,814 to 39,890. This year, the Office of Bar Counsel received 1,917 complaints. Bar Counsel docketed 272 matters for further investigation, a substantial decrease from FY 2016 when 357 matters were docketed. The number of sanctioned attorneys rose from 78 to 93. The number of sanctioned attorneys is higher than the ten year average for all sanctions: approximately 84 per year.

Disbarments, numbering 33, were consistent with the average of 34.6 per year for the past ten years. Suspensions, however, numbering 34, were significantly higher than the ten-year average of 20. The total number of reprimands, 26, was very close to the ten-year average, 29.

One of the most important functions of the office is to establish and pursue conservatorships of the client files and accounts of deceased, disbarred and disappeared lawyers. This year, five new conservatorships were established and members of the staff were appointed as conservator in 3 of those cases. Thirty-four conservatorships remained open at the end of the fiscal year.

As in previous years, the staff of the Office of Bar Counsel was involved in educational programs presented to lawyers, law students and paralegals in an effort to alert participants to their ethical and professional obligations. Additionally, staff members wrote articles published in a variety of publications.

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
DISCIPLINARY SUMMARIES
Fiscal Year 2017

ADOFF, Leonard H. – Disbarred by Consent on December 16, 2016, as a reciprocal action to his disbarment in New Jersey for failing to safe-keep property, for misappropriating client funds held in trust, for failing to maintain proper trust account records and for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

ALLENBAUGH, Mark Howard – Disbarred on October 7, 2016 as a reciprocal action to his United States Court of Appeals (Fourth Circuit) suspension, for failing to represent his client competently and diligently, for failing to respond to court orders and for failing to refund a fee that had not been earned.

ANDERSON, Gary Michael – Indefinite Suspension by Consent on February 16, 2017, effective thirty (30) days from the date thereof, for failing to comply in a material way with the terms of a Conditional Diversion Agreement (“CDA”) that he entered into with Bar Counsel related to failing to safe-keep client funds in an attorney trust account and for failing to communicate, and in another matter, for failing to represent his client competently and diligently, resulting in entry of a judgment against his client, for failing to keep his client informed of the status of her case, for failing to provide his client with an accounting of fee payments and upon termination of the representation, for failing to cooperate with requests from his former client’s new counsel.

BARBER, Andre P. – Disbarred on August 19, 2016, as a reciprocal action to his District of Columbia disbarment for filing frivolous pleadings and appeals, for making misrepresentations to an arbitrator and for making misrepresentations to the disciplinary authorities.

BELLAMY, Denise Leona – Disbarred on April 3, 2017, for multiple acts of dishonesty, deceit, misrepresentation, client neglect, abandonment and criminal conduct reflecting adversely on her honesty and trustworthiness.

BROWN, Ajile Fernandez – Commission Reprimand for the unauthorized practice of law in Maryland.

BYRD, Charles Grant, Jr. – Disbarred by Consent on April 5, 2017, for criminal conduct (misappropriation of funds belonging to his law firm for his personal use and benefit) and engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

DENRICH, Diana Beth – Interim Suspension on February 16, 2017, for her criminal conviction.

DYER, Allen Ray – Reprimand on June 23, 2017, for failing to adequately respond to lawful demands for information from Bar Counsel, for challenging Bar Counsel’s authority to conduct “confidential” investigations under Maryland Rules and failing to provide any meaningful substantive response to Bar Counsel’s request.

ELLIS, Thomas Francis, III – Commission Reprimand for failing to safe-keep client funds until earned, for failing to ensure that his firm had in effect measures giving reasonable assurance that his non-attorney’s conduct was compatible with his professional obligations, for failing to supervise his non-attorney assistant who was assigned to deposit and transfer funds from the

attorney trust account and for failing to ensure that records were maintained for the attorney trust account.

EMERY, Dylan Richard – Disbarred by Consent on May 1, 2017, for his criminal conviction related to possession of child pornography.

EZEALA, Jude Chukwuma – Indefinite Suspension by Consent on March 21, 2017, for failing to represent a client competently and diligently, failing to abide by the client's decisions concerning the objectives of the representation, failing to keep the client informed of the status of her case, charging an unreasonable fee, failing to deposit the client's fees, paid in advance, into his attorney trust account without obtaining the client's informed written consent not to do so, failing to take steps to the extent reasonably practicable to protect the client's interests upon termination of the representation, failing to refund the client's advance payment of fee or expense that had not been earned or incurred, failing to ensure that his firm had in effect measures giving reasonable assurance that a non-attorney assistant's conduct was compatible with his professional obligations, failing to supervise his non-attorney assistant and assisting or allowing the non-attorney to engage in acts constituting the unauthorized practice of law.

FICKER, Robin Keith Annesley – Reprimand by Consent on June 30, 2017, for failing to arrive punctually for a court hearing, thereby disrupting the court's docket and requiring his client to address the court without representation and for failing to comply with the notice of employment and associated provisions relating to his employment of a disbarred attorney.

FRAMM, Rhonda I. – Disbarred on August 24, 2016, for failing to represent her client competently, diligently and honestly, for failing to adequately communicate with her client and for making misrepresentations to a court.

FRIEDLANDER, Jonathan Kenneth – Disbarred by Consent on January 12, 2017, for failing to appropriately review and oversee his attorney trust account, for failing to maintain accurate and complete financial records of the attorney trust account, for commingling funds and for engaging in improper use of the attorney trust account.

FRIEDMAN, Laura – Commission Reprimand for engaging in the unauthorized practice of law by signing form complaints *pro forma* on behalf of plaintiffs and defendants related to judgments by confession when she should have known that her license to practice law was on inactive status.

GALLAGHER, Sean Patrick – Commission Reprimand for failing, upon termination of the representation, to respond to his client's numerous requests for a copy of the discovery from the client's file, for returning only a portion of the discovery, for failing to return the remainder of the client's file for six (6) months and for failing to timely respond to lawful demands for information from Bar Counsel.

GRANT, Fred Kelly – Indefinite Suspension by Consent by Order filed April 21, 2017 (suspension effective July 3, 2017), for failing to represent a client with reasonable diligence and promptness, failing to keep the client informed of the status of the case and failing to respond promptly to the client's reasonable requests for information, failing to explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation, charging an unreasonable fee, failing to communicate the scope of the representation and basis or rate of the fee within a reasonable time after commencing the

representation, failing to safe-keep the client's funds in a trust account, failing to deliver promptly to the client funds or other property that the client is entitled to receive, failing to take reasonable steps to protect his client's interests upon termination of the representation, including failing to refund an advance payment of fee or expense that had not been earned or incurred, and failing to respond to lawful demands for information from a disciplinary authority.

HARPER, George A. – Commission Reprimand for failing to deposit his client's fees, paid in advance, into his attorney trust account without obtaining his client's informed written consent.

HARRIS, Roger Lee, Jr. – Disbarred by Consent on May 25, 2017, for willfully forging client signatures on settlement checks, failing to disburse funds to his clients and a third-party medical provider, misappropriating client funds to his own use and benefit, failing to represent these clients with competence and reasonable diligence and failing to keep his clients reasonably informed about the status of their cases.

HECHT, Spencer Michael - Commission Reprimand for failing to explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the course of the representation and entering into a business transaction with a client without advising the client in writing of the desirability of seeking legal advice.

HENDERSON, Reid Donalan – Disbarred by Consent on September 16, 2016, as a reciprocal action to his disbarment in the District of Columbia, for failing to represent his clients with competence and reasonable diligence, for representing his clients when his physical or mental condition materially impaired his ability and upon termination of the representation, for failing to take reasonable steps to protect his clients' interests and for failing to surrender papers and property to which his clients were entitled and refunding any advance payment of fee or expense that had not been earned or incurred.

JAFFE, Sandford Bruce – Indefinite Suspension by Consent on September 27, 2016, in connection with his operation of a commercial property leasing company, for permitting his employee to submit documents containing false or misleading information to a bank relating to a loan, for making inaccurate statements to a bank representative and for failing to correct false information that was previously provided. Respondent met with the bank's officers, apologized for the problems created by his employee, provided an explanation letter for the loan file promising to rectify the problem and shortly thereafter repaid the loan prior to the termination date.

JOHNSON, Jerome P – One-year Suspension on December 14, 2016, effective January 13, 2017, for failing to represent a client with reasonable diligence, for failing to adequately communicate with his client, upon termination of the representation, for failing to take steps to protect the client's interest and for failing to respond to lawful demands for information from the office of Bar Counsel.

JONES, Robert Valliant – Commission Reprimand for engaging in conduct prejudicial to the administration of justice while appointed as Trust Clerk and Court Auditor for the Circuit Court for Cecil County, by charging higher fees than the rate of compensation set in the Administrative Order and billing parties for scheduling and court appearance fees for additional time required to complete the audit process. Although it was not his intention to act in a deceptive or fraudulent manner, he failed to request specific approval for additional compensation and regularly billed for and accepted payments of amounts that exceeded the court-authorized auditor's fee.

JONES, Rodney Michael – Disbarred by Consent on June 5, 2017, for failing to represent his clients with competence and reasonable diligence, failing to communicate, charging an unreasonable fee, engaging in conduct creating a conflict of interest, failing to safe-keep property, failing to return an unearned fee and upon termination of the representation failing to surrender papers and property to which his clients were entitled, failing to refund any advance payment of fees or expenses that had not been earned or incurred and engaging in conduct that is prejudicial to the administration of justice.

JONES, Stephen Rowe – Indefinite Suspension by Consent on May 3, 2017, for his criminal conviction related to one count of sex offense in the fourth degree and one count of assault in the second degree.

KANE, Eugene I., Jr. – Commission Reprimand for failing to represent his client competently and diligently, for failing to adequately communicate with his client, upon termination of the representation, for failing to take steps to the extent reasonably practicable to protect the client's interest and for failing to make a reasonably diligent effort to comply with a legally proper discovery request by an opposing party.

KATZ, Cynthia Groomes – Reprimand by Consent on July 28, 2016, for failing to explain a matter to the extent reasonably necessary to permit her client to make informed decisions regarding the representation.

KILROY, Kelly Garner – Disbarred by Consent on May 18, 2017, for failing to maintain unearned client funds in trust and misappropriating client funds.

KIM, Woo-Jin – Disbarred by Consent on September 16, 2016, for misappropriating client funds and for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

KIRWAN, Susan Myra Geller – Indefinite Suspension on November 21, 2016, for failing to represent a client with competence and reasonable diligence, for failing to communicate with the client over a ten-month period, for failing to respond to requests for information by the former client's new attorney and for failing to respond to repeated requests for information from the Office of Bar Counsel.

KIRWAN, Susan Myra Geller – Indefinite Suspension by Consent on May 30, 2017, continuing in effect Respondent's previous Indefinite Suspension, for failing to represent her clients with competence and reasonable diligence, failing to keep her clients reasonably informed about the status of their legal matters and failing to respond to Bar Counsel's lawful demand for information.

KOTLARSKY, Mark – Disbarred on April 4, 2017 for intentionally failing to disclose assets of his law firm's pension plan in his bankruptcy petition and failing to respond to Bar Counsel's repeated lawful demands for information.

LARSON, Karl L. – Commission Reprimand in a reciprocal action from the United States Patent and Trademark Office, for failing to safe-keep client funds in an attorney trust account and failing to maintain required financial records of the attorney trust account.

LEE, Jun Young – Commission Reprimand for engaging in the unauthorized practice of law while he was decertified for non-payment of Client Protection Fund assessments.

LEE, Rolando Vicente (aka Lee, Roland) – 120-day Suspension by Consent on January 30, 2017, effective March 1, 2017, for failing to adequately communicate with his clients, for charging an unreasonable fee, for failing to make reasonable efforts to ensure that the firm had in effect measures giving reasonable assurance that his non-attorney employees conduct was compatible with his professional obligations as an attorney and for assisting and/or allowing the non-attorney employees to engage in acts constituting the unauthorized practice of law.

LEVITSKY, Jarrett L. – Indefinite Suspension by Consent on May 15, 2017, for maintaining his attorney trust account solely for the purpose of managing his personal funds after he ceased practicing law.

LITCHFIELD, Amber Kaye – Disbarred by Consent on October 7, 2016, for failing to provide reasonably diligent and prompt representation to a client relating to a ground rent redemption, for failing to communicate with her client, for failing to safe-keep property in an attorney trust account and for failing to account for funds disbursed to her. In another matter she misrepresented information to an attorney about the status of real property owned by her client and knowingly participated in the fraudulent submission of forged lien release letters to facilitate a short sale of the property.

LOGGIA, Elizabeth Glass – Commission Reprimand for failing to petition the Orphans' Court prior to making payments from an estate to herself as Personal Representative and upon termination of the representation by the client, for failing to timely refund an advance payment of fees or expense that had not been earned or incurred.

McMULLEN, Sean Patrick – Disbarred on April 20, 2017, as reciprocal discipline to his December 8, 2016 disbarment in the District of Columbia and his July 31, 2015 revocation of license in Virginia, based upon failing to file responsive pleadings to discovery, failing to notify clients of court actions, taking action without client approval, misrepresenting the status of his clients' matters and fabricating documents to support false statements to his clients. Respondent previously was suspended on an interim basis on March 2, 2017 pending further Order of the Court of Appeals.

MAHONE, Daniel Quinn – Commission Reprimand for failing to obtain his client's informed consent, confirmed in writing, to deposit an unearned fee paid in advance into an account that was not a client trust account.

MAHONE, Willie James – Indefinite Suspension on December 19, 2016, for failing to maintain records that accurately reflect the status of his attorney trust account, for commingling funds and for withdrawing cash from his trust account that created negative balances in multiple clients' accounts.

MAHONE, Willie James - Indefinite Suspension by Consent on February 22, 2017, for failing to safe-keep property, for failing to create and maintain financial records of the attorney trust account related to client funds and for failing to respond to lawful demands for information from Bar Counsel.

MEAD, Sterling Garrett - One-year Suspension by Consent by Order entered June 8, 2017 (suspension effective July 3, 2017), for engaging in the unauthorized practice of law while he was administratively suspended for failure to pay his 2014-2015 fiscal year assessment to the Client

Protection Fund of the Bar of Maryland and knowingly failing to respond to lawful demands for information from Bar Counsel.

MIRSKY, Steven Edward – Indefinite Suspension by Consent on February 22, 2017, effective March 24, 2017, (with the right to apply for reinstatement ninety (90) days after the effective date), for failing to safekeep client funds in trust, for failing to maintain accurate and complete financial records of the attorney trust account, for commingling funds, for unintentionally misappropriating client funds and for engaging in improper use of the attorney trust account.

MOLLOCK, Shakaira Simone – Disbarred on September 9, 2016, for failing to represent two (2) separate clients with competence and reasonable diligence, for making misrepresentations to her clients about the status of their cases, for failing to return unearned fees and for falsifying evidence she provided to Bar Counsel.

MOORE, Richard Allen, II – Indefinite Suspension on January 20, 2017, effective February 21, 2017, (with the right to apply for reinstatement ninety (90) days after the date thereof), for failing to represent his client competently and diligently, for failing to communicate with his client, for negligently representing the facts and for improperly terminating the attorney-client relationship.

MOORE, Richard Wells, Jr. – Disbarred by Consent on December 6, 2016, for failing to represent his client with competence and reasonable diligence, for failing to communicate, for failing to safekeep unearned prepaid fees in trust and upon termination of the representation, for failing to promptly return unearned fees.

MORAN, Patrick M. – Disbarred by Consent on June 16, 2017, for engaging in criminal conduct that adversely reflected on his honesty, trustworthiness and/or fitness as an attorney in other respects and conduct prejudicial to the administration of justice when he possessed child pornography with the intent to distribute same.

NACE, Eleanor – Disbarred on February 16, 2017, as a reciprocal action from her District of Columbia disbarment on June 16, 2016, for failing to represent her client with competence and reasonable diligence, failing to safekeep unearned fees held in trust, misappropriating funds for her personal use and upon termination of the representation failing to surrender papers and property to which her client was entitled.

NALLEY, Robert C. – Commission Reprimand for his criminal conduct while presiding as a Maryland Circuit Court judge by directing the deputy sheriff to activate the stun-cuff the *pro se* defendant was wearing because he failed to comply with the Respondent's request to stop speaking.

NELSON, Juaria Lenette – Commission Reprimand for failing to provide a prompt accounting of a client's funds upon the client's request and failing to provide a prompt refund of funds to which the client was entitled.

NEMPHOS, George Johnathan – Commission Reprimand for his conduct involving the appearance of a conflict of interest.

NEVERDON, Russell A, Sr. – Commission Reprimand for failing to represent a client with reasonable diligence, for failing to maintain unearned fees in trust on three (3) separate occasions, for failing to comply with a client's instructions, for improper termination of the attorney-client

relationship and for failing to communicate to his client the necessity of a transcript of trial proceedings in order to proceed with an appeal.

NIELSEN, Kenneth Edward, Jr. – Commission Reprimand for failing to competently represent his client, as the sponsoring employer in an immigration matter, for failing to adequately communicate with his client about a Request for Evidence from USCIS, for failing to explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation and for failing to explain a potential conflict of interest in the representation.

PARHAM, Eric John – Disbarred on December 14, 2016, as a reciprocal action from his North Carolina disbarment on October 18, 2005, for failing to report his disbarment to the Maryland Bar Counsel and Client Protection Fund of the Bar of Maryland, engaging in the unauthorized practice of law, failing to safekeep property, his conflict of interest, failing to communicate, failing to pay his North Carolina mandatory membership dues, failing to complete the minimum mandatory continuing legal education requirements and failing to participate in a State Bar Fee Dispute Program.

PETROS, George Zacharias – Indefinite Suspension by Consent on January 20, 2017, effective February 21, 2017, (with the right to apply for reinstatement six (6) months after the date thereof and conditioned upon demonstrating proper maintenance of his attorney trust account to Bar Counsel), while acting as administrator of his client's bankruptcy action, for failing to represent his client competently and diligently, for failing to communicate, for charging an unreasonable fee, for failing to safe-keep property of clients or third persons, for failing to obtain the client's informed consent, confirmed in writing, to deposit an unearned fee paid in advance into an account that was not a client trust account and for failing to maintain accurate and complete financial records of his attorney trust account.

PHILLIPS, Dalton Francis – Disbarred on October 14, 2016, for ratifying the unauthorized practice of law by a non-attorney, for making a series of material falsehoods to Bar Counsel, for his refusal to provide information requested by Bar Counsel and for filing a frivolous motion to quash Bar Counsel's subpoena.

PLANK, Bonnie Elizabeth – Disbarred on April 4, 2017, for her misconduct involving dishonesty, misrepresentations to the courts, criminal convictions, the unauthorized practice of law and an obstruction of Bar Counsel's investigation.

POUPKO, Avrohom Reuven – Disbarred by Consent on August 16, 2016, in his capacity as administrator of his client's bankruptcy action, to represent his clients with reasonable diligence, for failing to communicate with his clients, for failing to safe-keep client funds in an attorney trust account and for misusing client funds.

PRATZ, Robert Paul – Indefinite Suspension by Consent on September 22, 2016, (with the right to apply for reinstatement one (1) year after the date thereof and conditioned upon making full restitution) for failing to represent his clients with competence and reasonable diligence, for failing to safe-keep client funds in an attorney trust account, for charging an unreasonable fee, for failing to appear at a court-ordered hearing, for failing to keep his clients informed about the status of their cases, for failing to explain matters to the extent reasonably necessary to permit the clients to make informed decisions regarding the representations and for failing to return unearned fees without having the clients first enter into an agreement releasing him of any liability.

PRITZKER, Jeffrey N. – Commission Reprimand for failing to keep his client reasonably informed about the status of her matter, failing to promptly comply with the client’s reasonable requests for information and failing to act with reasonable diligence and promptness to prepare the appropriate Eligible Domestic Relations Order subsequent to the client’s judgment of divorce.

QUARTEY, Edwin Atteh - Six-month Suspension by Consent for failing to represent his client with competence and reasonable diligence, for failing to expedite litigation consistent with the interest of the client and for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

RAMBERG, Jeffrey R. – Commission Reprimand in a reciprocal action from the United States Patent and Trademark Office, for failing to explain a potential conflict of interest related to a joint representation and, when the conflict became apparent, failing to obtain the clients’ informed consent confirmed in writing to continue the representation.

RIVERA, Artemio – Interim Suspension on May 18, 2017, for his indictment related to an alleged fraudulent business scheme in the State of Illinois.

ROGERS, William Norman – 90-day Suspension by Consent on April 7, 2017, as reciprocal discipline to his District of Columbia suspension, based upon communicating about the subject of the representation with a person known to be represented by another attorney and engaging in conduct prejudicial to the administration of justice.

ROSENAU, Kenneth H. – 30–day Suspension by Consent on July 19, 2016, as a reciprocal action to his District of Columbia suspension for failing to promptly disclose the death of his client at a mediation related to a tort case in the District of Columbia.

ROSS, Brandon David – Disbarred by Consent on February 28, 2017, as a reciprocal action to his New Hampshire disbarment for misappropriating funds from a special needs trust of which he was the trustee, for failing to account for client funds in his possession, for knowingly filing false trust account certificates and for failing to respond to lawful demands for information from a disciplinary authority. Respondent was indefinitely suspended on January 13, 2017.

ROY, Kevin Michael – Indefinite Suspension by Consent on October 5, 2016, for failing to provide competent, reasonably diligent and prompt representation to his clients, for failing to communicate, for failing to safe-keep property in an attorney trust account, for improper termination of the attorney-client relationships and for failing to disclose a fact necessary to correct a misapprehension.

RUHL, Jesse Raymond – Indefinite Suspension by Consent on June 19, 2017, as a reciprocal action to his one (1) year suspension in the Commonwealth of Pennsylvania for engaging in the unauthorized practice of law, conduct involving dishonesty, fraud, deceit or misrepresentation and conduct prejudicial to the administration of justice.

SAUNDERS, Stephen John – Disbarred by Consent on September 8, 2016, in connection with his representation of two (2) clients in personal injury cases, for failing to deposit settlement funds into a trust account, for failing to preserve funds in trust due to a third party medical provider and for failing to pay funds due to the third party medical provider for almost one (1) year.

SCHAECH, Louis Michael (aka Schaech, L. Michael) – Indefinite Suspension by Consent on April 10, 2017 (suspension effective June 1, 2017, with the right to apply for reinstatement one hundred twenty (120) days after the effective date), for making false representations in a letter to his client’s monitor about the client’s whereabouts on specific dates while the client was being held without bond on home detention and for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

SHOCKETT, Steven Lee – Disbarred on September 6, 2016, for failing to communicate with three (3) separate clients about the status of their matters, for failing to perform the legal services promised, for misappropriating client funds, for his criminal conduct and for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

SHOEMAKER, Jason Wayne – Commission Reprimand by Consent for his responses to a Motion that were not forthcoming, for making representations to the court that were not candid, for withdrawing his appearance at a hearing that left his client without counsel while a Motion was pending and for involving his client in an exchange of prescription medication with the client that reflected adversely on his character.

SHULER, Melodie Venee – Disbarred on April 3, 2017, for repeated failures to file motions on behalf of her client in the client’s criminal case after promising to do so, for repeated failures to visit with her client in jail to discuss his case after promising to do so, failure to act timely on behalf of her client, misrepresenting legal information to her client relevant to the case, failure to investigate thoroughly her client’s case and refusal to cooperate with lawful demands for information from Bar Counsel.

SMITH, Bruce Michael – Disbarred by Consent on November 1, 2016, for failing to represent his client with competence and reasonable diligence relating to an appeal proceeding, for failing to communicate, for charging an unreasonable or unearned fee and for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

SNYDER, Marc Gregory – Indefinite Suspension by Consent on February 3, 2017, effective thirty (30) days from the date thereof, for failing to represent his client competently and diligently, for failing to communicate, for charging an unreasonable fee, for failing to safe-keep property of clients or third persons in an attorney trust account, for failing to notify and deliver promptly to his client or third person any funds or property to which they are entitled, for failing to properly terminate the representation, for failing to maintain accurate and complete financial records of the attorney trust account, for commingling funds and for engaging in improper use of the attorney trust account.

STUART, Pamela Bruce – Interim Suspension on June 30, 2017, pending further order of the Court of Appeals.

SWEITZER, Philip James – Disbarred on November 4, 2016, for committing a criminal act that that reflects adversely on the attorney’s honesty, trustworthiness or fitness as an attorney in other respects and engaging in conduct involving dishonesty, fraud, deceit or misrepresentation related to his felony theft conviction.

TAN, Jing – 60-day Suspension by Consent on September 22, 2016, for failing to competently represent he client in an immigration matter, for failing to adequately communicate with her client,

for failing to properly safe-keep unearned fees in trust, for revealing confidential information about another client's immigration case and for falsely claiming that she was "board certified" on her website.

THOMAS-BELLAMY, Sandy F. – Indefinite Suspension on November 22, 2016, (with the right to apply for reinstatement one (1) year from the date thereof) as a reciprocal action to her District of Columbia suspension for making false statements in connection with her application for admission to the District of Columbia Bar. Respondent's Indefinite Suspension continues from a previous Indefinite Suspension by Consent on March 28, 2014.

TILLY, Elena – Indefinite Suspension by Consent on March 16, 2017, for engaging in the unauthorized practice of law and assisting another in doing so, failing to make reasonable efforts to ensure that her firm had in effect measures giving reasonable assurance that a non-attorney assistant's conduct was compatible with her professional obligations, failing to supervise her non-attorney assistant and ratifying the non-attorney's conduct that did not comply with the Rules of Professional Conduct, making a false or misleading communication about her services, failing to indicate jurisdictional limitations on her letterhead, failing to represent a client competently and diligently, failing to provide prompt notification and delivery of funds or property to which a client or third person was entitled, failing to keep disputed property separate until the dispute is resolved, and engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

TIMMONS, Keith Eric – 30-day Suspension by Consent on September 1, 2016, effective October 3, 2016, for failing to represent three (3) clients with competence and reasonable diligence, for failing to keep his clients informed about the status of their cases, for failing to explain matters to the extent reasonably necessary to permit the clients to make informed decisions regarding the representation, for collecting an unreasonable fee, for failing to make reasonable efforts to ensure that his firm had in effect measures giving reasonable assurance that his non-attorney assistant's conduct was compatible with his professional obligations and in one case, upon termination of the representation, for failing to refund a fee that had not been earned.

TIVVIS, Joseph Ignatius, Jr. – Disbarred by Consent on April 20, 2017, for failing to keep his clients adequately informed about the status of the representations, failing to notify clients that he was terminating the representations, failing to promptly refund unearned fees, misappropriating trust funds and failing to hold trust funds in trust.

TORRES, Eduardo Gonzalez Y. – Commission Reprimand for failing to represent his client with reasonable diligence, for failing to communicate with his client prior to a plea offer deadline and for failing to deliver a suit to his client to be worn at trial that was provided by the client's mother.

UCHEOMUMU, Andrew Ndubisi – Indefinite Suspension on December 15, 2016, for failing to represent his client with competence, for charging an unreasonable fee, for failing to maintain an attorney trust account, for failing to safe-keep third-party funds in trust and for making frivolous arguments in a lawsuit.

VANZEGO, Raymond Jerome, Jr. – Indefinite Suspension by Consent effective on June 28, 2017 with a right to apply for reinstatement no sooner than ninety (90) days from the effective date, for failing to adequately communicate with his client, failing to create and maintain an attorney trust account, failing to safe-keep funds in trust, failing to maintain accurate and complete financial records of his trust account, commingling funds and using the trust funds for unauthorized

purposes.

WEMPLE, Mark David – Reprimand on June 13, 2017, for failing to adequately communicate with his client, failing to safe-keep property of clients or third persons in an attorney trust account, failing to obtain the client’s informed consent confirmed in writing to deposit an unearned fee paid in advance into an account that was not an attorney trust account and failing to maintain accurate and complete financial records of his attorney trust account.

WHITE, Erica S. – Indefinite Suspension by Consent on July 18, 2016, for failing to safe-keep property of clients or third persons, for failing to deposit and maintain client funds in trust until earned, and for failing to disclose a fact necessary to correct a misapprehension known by her.

WHITE, Michael Ledden – Disbarred by Consent on August 19, 2016, for his criminal conduct involving possession of child pornography.

WRIGHT, Phillip Wayne – Commission Reprimand for failing to represent his clients with competent and reasonable diligence relating to claims arising out of an automobile accident, for failing to oversee his staff person’s efforts to achieve service, which was never effected, and upon learning that the case was dismissed four (4) months later, for failing to timely notify his clients of the status of their case.

WU, James P. – Disbarred by Consent on June 19, 2017, for failing safe-keep property of clients or third persons in an attorney trust account, failing to maintain accurate and complete financial records of his attorney trust accounts, failing to obtain the client’s informed consent confirmed in writing to deposit an unearned fee paid in advance into an account that was not an attorney trust account, commingling funds, misusing trust money, committing a criminal act that reflected adversely on the attorney’s honesty, trustworthiness or fitness as an attorney in other respects and engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.

TARGETED MAIL SOLICITATIONS

The Business Occupations and Professions Article of the Annotated Code of Maryland §10-605.2 requires an attorney to file with Bar Counsel copies of letters of solicitation sent to prospective clients under certain circumstances. In FY 2017, there were 817 targeted mail solicitations, up from 665 in FY 2016. Of the submissions to Bar Counsel this year, eighteen (18) letters required revisions. The revisions were necessary to address violations of the Maryland Attorneys' Rules of Professional Conduct Rule 19-307.1-19-307.5: failure to provide Bar Counsel with a copy of the communication together with a sample copy of the envelope, the failure to include the required wording on the advertising envelope and on the advertisement itself, and attorneys making false or misleading communication.

ATTORNEY TRUST ACCOUNT OVERDRAFTS

Maryland Rule 19-411 permits approved financial institutions to maintain attorney trust accounts. Those approved institutions must agree promptly to report overdrafts on such accounts to Bar Counsel. Upon receipt of the bank's report, Bar Counsel seeks an explanation from the attorney. This year, there were one hundred and ten (110) overdraft notifications, up from one hundred and eight (108) in FY2016. Fourteen (14) were transferred to docketed status for further investigation, up from ten (10) in FY 2016. The reasons for docketing were:

a) Improperly Using Escrow Account	1
b) Comingling	1
c) Failure to Respond to Bar Counsel	7
d) Misappropriation of Client Funds	4
e) <u>Cash Withdrawals</u>	1
Total	14

Fourteen (14) overdrafts were attributed to some form of bank error that included fees charged in error, bank reported in error, transfers from the wrong account, incorrect postings and incorrect dollar amounts, and failure to honor stop payments.

CONSERVATORSHIPS

When an attorney is deceased, disbarred or suspended, and there is no responsible attorney to take possession of the client files of that attorney, it becomes necessary for Bar Counsel to petition the local Circuit Court to establish a conservatorship. If no attorney is available in the community to take on the task, an attorney on Bar Counsel's staff is nominated to serve as conservator. Upon approval by the Circuit Court in the county where the attorney was licensed to practice, an appointment of a conservator is ordered, the files of the attorney are marshalled and, with the aid of the paralegal staff, notices are sent to clients to determine the appropriate disposition of active files. Pursuant to court order, the destruction of unclaimed client files is permitted.

In FY 2017, five (5) conservatorships were established and members of Bar Counsel's staff were appointed as the conservator in three (3) cases. Private lawyers were appointed as conservators in the remaining two (2) cases. Seven (7) conservatorships were closed during the fiscal year. There are thirty-four (34) pending conservatorship cases at the end of FY 2017, including the five (5) which were opened this fiscal year. Bar Counsel staff members were appointed as conservators in eighteen (18) of the cases, and third parties were appointed as conservators in the remaining sixteen (16) cases.

CONSERVATORSHIPS

<u>Opened</u>	<u>DATE</u>	<u>Third Party or AGC</u>
---------------	-------------	---------------------------

1. Bell, Jimmy A.	05/10/2017	AGC
2. Judd, Robert J.	04/18/2017	AGC
3. Nitkin, Rebecca A.	11/17/2016	3 rd Party
4. Rand, Charles	07/06/2016	3 rd Party
5. Van Sweringen, Raymond A.	01/09/2017	AGC

<u>Closed</u>	<u>DATE</u>	<u>Third Party or AGC</u>
---------------	-------------	---------------------------

1. Fitzpatrick, Eugene	12/12/2016	3 rd Party
2. Messenger, Donald B.W.	06/12/2017	3 rd Party
3. Rand, Charles	02/08/2017	3 rd Party
4. Salafia, Matthew S.	03/30/2017	AGC
5. Schaeffer, Michael	06/28/2017	3 rd Party
6. Schubel, Scott	12/02/2016	3 rd Party
7. Stocksdale, Robert L.	12/10/2016	3 rd Party

<u>Pending:</u>	<u>DATE OPENED</u>	<u>Third Party or AGC</u>
-----------------	--------------------	---------------------------

1. Ashurst, Charles	05/20/2016	3 rd Party
2. Axel, John	06/05/2015	3 rd Party
3. Briskin, Robert K.	03/09/2016	AGC
4. Buettner, Robert	12/03/2012	AGC
5. Cammack, Olivia D.	08/30/2011	AGC
6. Campbell, Elizabeth	07/15/2013	AGC (Originally 3 rd Party)
7. Conrad, John III	06/05/2015	3 rd Party
8. Giunta, Thomas J.	04/14/2016	AGC
9. Gray, Melissa	10/01/2014	AGC
10. Grier, Wendell H.	01/21/2016	AGC
11. Groton, Harry S. Jr.	04/29/2016	3 rd Party
12. Hogg, Ronald	10/17/2013	3 rd Party
13. Jenkins, Frank P.	09/29/2009	AGC
14. Kountz, Charles	02/07/2014	3 rd Party
15. Lewis, Neil	10/15/2014	AGC
16. McIntosh, Robert	12/16/2013	3 rd Party
17. Mollock, Shakaira Simone	06/22/2016	AGC
18. Montgomery, Bonnie J.	06/25/2015	AGC
19. Plum, Jeffery J.	09/12/2011	3 rd Party
20. Raine, John	03/13/2015	3 rd Party
21. Rhoads, Arthur	06/02/2014	AGC
22. Robaton, David M.	06/21/2010	AGC
23. Saperro, Robert	04/02/2014	3 rd Party
24. Shoup, Jonathan	05/10/2016	3 rd Party
25. Tayback, Matthew G.	05/21/2013	3 rd Party
26. Taylor, Douglas	10/02/2013	AGC
27. Thomas, C. Trent	10/09/2015	AGC
28. Vogulhut, Steven	10/21/2013	3 rd Party
29. Widrick, Jon	01/21/2016	3 rd Party

PEER REVIEW COMMITTEE

This fiscal year 372 lawyers and 66 non-lawyers agreed to volunteer their time to participate in the peer review process. There were 67 peer review meetings scheduled, compared to 79 last year, a decline of 15.19%. Seventeen (17) panels heard more than one complaint against a respondent attorney. In total, 92 complaints were subject to peer review. In fifty-one percent (51%) of the complaints addressed by peer review panels, public charges were recommended; four percent (4%) conditional diversion; seven percent (7%) reprimand; three percent (3%) dismissal; and seven percent (7%) dismissal with a warning. Seven percent (7%) were terminated prior to the meeting due to the non-cooperation of the respondent attorney. Sixteen percent (16%) were pending at the end of the fiscal year. The Commission makes the final decision after receiving a recommendation from a Peer Review Panel. This fiscal year the Commission overturned two (2) recommendations, both of which resulted in greater disciplinary exposure for the attorneys.

The average time to hold the panel meeting after the panel was constituted was fifty-one (51) days, and the average time for filing of the panel report was fourteen (14) days after the meeting.

Baltimore City (13) and Montgomery County (12) had the highest number of Peer Review Panel meetings while sixteen (16) counties had none during the fiscal year.

PANEL BREAKDOWN BY COUNTY

Total of 67 Panels

Total of 92 Docketed complaints

County	Number of Panels
Anne Arundel County	8
Baltimore City	13
Baltimore County	11
Frederick County	2
Harford County	3
Howard County	5
Montgomery County	12
Out of State	8
Prince George's County	5

Note: The following counties had **0 Panels** in their jurisdiction:

**Allegany, Calvert, Caroline, Carroll, Cecil, Charles, Dorchester, Garrett, Kent,
Queen Anne's, Somerset, St. Mary, Talbot, Washington, Wicomico, Worcester**

CONDITIONAL DIVERSION AGREEMENTS

When it is determined that misconduct by an attorney can be remediated without the need for a sanction, and the attorney and Bar Counsel agree, then a Conditional Diversion Agreement may be executed with the approval of the Commission. The agreement may have a variety of conditions, tailored to the needs of the attorney, recognizing any harm done to the complainant. Those conditions may include one or more of the following: an apology to a complainant, attendance at educational seminars, obtaining legal malpractice insurance, the appointment of a practice monitor for a specified period of time, hiring an accountant to instruct on proper bookkeeping practices, psychiatric and psychological treatment, among other conditions.

Such agreements usually conclude the disciplinary process. Ordinarily, the attorney has not been the subject of prior complaints. This fiscal year the Commission approved seventeen (17) conditional diversion agreements. Fifteen (15) conditional diversion agreements were administratively closed, and two (2) agreements were revoked. Twenty-one (21) were pending at the end of the fiscal year.

UNAUTHORIZED PRACTICE OF LAW INVESTIGATIONS

There were thirty-four (34) unauthorized practice of law files in FY 2017. Of that number, twenty-one (21) files were newly opened in FY 2017, and fourteen (14) remained opened from FY 2016. Investigations led to findings of no unauthorized practice of law in eleven (11) cases. Six (6) individuals voluntarily agreed to cease the unauthorized practice. Four (4) files were referred to out of state disciplinary authorities. Two (2) were referred to the Office of the Attorney General for handling. Three (3) files were docketed and nine (9) files remained open at the end of the FY 2017.

ACTIVITIES OF PROFESSIONAL STAFF

Deputy Bar Counsel Raymond A. Hein and Assistant Bar Counsel Jennifer L. Thompson spoke on ethics issues pertaining to paralegals at a program presented by the Maryland Association of Paralegals. Mr. Hein and Investigator Charles E. Miller presented a program on attorney trust account requirements and best practices for the Bar Association of Montgomery County. Mr. Hein and Assistant Bar Counsel C. Shea McSpaden presented a program for the Harford County Bar Association on suggested dos and don'ts when responding to Bar Counsel. Mr. Hein and Ms. McSpaden also spoke to attorneys in the Baltimore County Office of the Public Defender about ethics issues of general concern for criminal defense attorneys and common complaints directed against Public Defenders. Mr. Hein served on a panel with representatives from the disciplinary counsel offices of the District of Columbia and Virginia at the annual ethics program of the D.C. Defense Lawyers' Association. He also was a speaker at the Maryland State Bar Association's "Ready, Set, Go! Starting a Law Practice" program. Mr. Hein continued his membership on the Professionalism Committee of the Baltimore County Bar Association (BCBA) and authored a professionalism article for the BCBA publication The Advocate. He also authored an article for Trial Reporter, the publication of the Maryland Association for Justice.

Senior Assistant Bar Counsel Dolores O. Ridgell was a panel member for a program presented to Maryland Legal Aid entitled "Elder Abuse and Civil Legal Services: What You Need to Know." The panel addressed issues including adequate communication with a client with diminished capacity, the involvement of family members in assisting the client in obtaining legal services and limitations placed on the attorney's ability to report illegal conduct of the client's family members or care provider without the client's authority.

Senior Assistant Bar Counsel Lydia E. Lawless was named the recipient of the American Bar Association Center for Professional Responsibility's Rosner & Rosner Young Lawyers' Professionalism Award. She served as a panel member on two panels at the MSBA's Annual Meeting in Ocean City and presented programs to the Estates and Trusts Section of the MSBA and several county and specialty bar associations. Ms. Lawless was also a guest lecturer at the University of Maryland Carey School of Law and published articles in The Maryland Litigator. Ms. Lawless continued to serve on the MSBA Litigation Section Counsel and the Executive Committee of the Montgomery County Inns of Court. She chaired the Membership Committee of the Serjeants' Inn and served as a mock trial judge for the American University Washington College of Law as well as the Montgomery County Bar Association High School Mock Trial Competition.

Assistant Bar Counsel Amy S. Paulick served as a panelist at the DC Chapter of the American Immigration Lawyers Association program, "Growing Your Practice Ethically".

Assistant Bar Counsel C. Shea McSpaden served as a member of the Ethics Review Panel for the Baltimore County Public Schools and, along with Mr. Hein, presented programs to the Office of the Public Defender in Baltimore County and the Harford County Bar Association.

Assistant Bar Counsel Ebtahaj "Eby" Kalantar served as the Chair of the Montgomery County Bar Association Softball League.

Assistant Bar Counsel Jennifer L. Thompson, along with Mr. Hein, presented a program for the Maryland Association of Paralegals entitled “Ethical Considerations for Paralegals” and served as a panelist at the MSBA Annual Meeting in Ocean City sponsored by the Professionalism Committee entitled “Facebook Follies.”

Assistant Bar Counsel Amanda A. McCarthy was named a fellow of the Maryland State Bar Association’s Leadership Academy.

Staff Attorney Kelsey Brown, along with Ms. Lawless, served as a panel member for a program presented to the Baltimore County Bar Association on succession planning.

THE COMMISSION

(as of June 30, 2017)

Linda H. Lamone, Esq. Chair
J. Donald Braden, Vice-Chair
Betty Smith Adams, Esq.
Jeffrey P. Ayres, Esq.
Nicole Barmore, Esq.
John A. Bielec, Esq.
William M. Shipp, Esq.
Kerry D. Staton, Esq.
C. Mayda Tsaknis, Esq.
Timothy Phelps, Public Member
Barry P. Gossett, Public Member
Linda Bowler Pierson, Secretary, Public Member

Executive Secretary

Marianne J. Lee

Administrative Assistant to Executive Secretary

Sharon Gross

ATTORNEY STAFF MEMBERS

(as of June 30, 2017)

Bar Counsel

vacant

Deputy Bar Counsel

Raymond A. Hein

Senior Assistant Bar Counsel

Dolores O. Ridgell

Lydia E. Lawless

Assistant Bar Counsel

Amy S. Paulick

C. Shea McSpaden

Ebtehaj Kalantar

Jennifer L. Thompson

Amanda McCarthy

Shara Hendler

Staff Attorneys

Kelsey L. Brown

Jessica M. Boltz

STAFF MEMBERS

Investigators

Marc O. Fiedler, Lead Investigator

William M. Ramsey

Edwin P. Karr

Charles E. Miller

Cheryl A. Trivelli

Jason A. Bogue

Paralegals

Kandace L. Harries

Samantha Robinson

Office Manager

Susan G. Townshend

Secretaries

Debora A. Goodrick

Nancy M. LaRocque

Theresa Gatewood

Kellie M. Sellner

Receptionist

Nancy I. Sale

File Clerk

Kelsey E. Rowe

TEN (10) YEAR COMPARISON CHART

July 1, 2007 through June 30, 2017

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	10 Year Totals
New Cases Received	2,053	1,885	2,003	2,321	2,037	1,963	2,082	2,147	1,835	2,061	20,387
Cases not Docketed	1,647	1,532	1,597	1,880	1,648	1,604	1,717	1,795	1,478	1,789	16,687

Cases Docketed

Docketed Complaints (Prima facie misconduct indicated)	406	353	406	429	382	320	330	330	339	240	3,535
Reinstatement Petitions Received	n/a	n/a	n/a	12	7	16	22	11	13	14	95
Attorney Trust Account Overdraft (*)	n/a	n/a	n/a	n/a	n/a	23	8	6	5	14	56
Resignation (*)	n/a	n/a	n/a	n/a	n/a	n/a	3	4	0	1	8
Unauthorized Practice of Law (*)	n/a	n/a	n/a	n/a	n/a	n/a	2	1	0	3	6
TOTALS	406	353	406	441	389	359	365	352	357	272	3,700

Docketed Cases Concluded	414	375	361	375	431	376	368	426	347	394	3,867
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Dispositions (by number of Attorneys)

Disbarred	11	5	15	11	23	16	18	20	16	14	149
Disbarred by Consent	10	13	13	13	22	21	8	24	13	19	156
Suspension	24	18	13	8	15	21	29	33	18	31	210
Interim Suspension	0	1	0	1	0	3	3	2	2	3	15
Public Reprimand by Court	9	6	4	6	7	5	9	8	3	4	61
Public Reprimand by Commission	12	20	31	27	26	23	19	24	26	22	230
Inactive Status	1	0	4	2	3	2	3	1	1	4	21
Dismissed by Court	7	8	11	5	5	10	6	5	8	4	69
Petitions for Reinstatement Granted	9	7	0	5	0	6	11	5	7	8	58
Petitions for Reinstatement Denied	7	7	7	7	3	5	7	4	4	7	58
Petitions for Reinstatement Withdrawn	0	0	0	0	0	1	6	3	2	1	13
Resignations	1	0	0	0	0	0	0	4	0	1	6
Resignation Denied	0	0	0	0	0	0	2	0	0	0	2
TOTALS	91	85	98	85	104	113	121	133	100	118	1,048

Number of active Attorneys admitted to practice law in Maryland	33,400	34,569	34,506	35,515	36,579	37,290	37,266	38,938	39,814	39,890
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(*) New Category beginning FY 2014

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATISTICAL REPORT
Fiscal Year 2017

REASONS FOR DISCIPLINARY ACTION: (Excludes reinstatement, resignation, inactive status, dismissal by the court, or monitoring. Disciplinary action may have resulted from several rule violations, <u>only the primary rule violated is indicated below.</u>)	FY 2017
Competent representation, diligence, communication, failure to abide by client's decisions	18
Misconduct – dishonesty, fraud, deceit, or misrepresentation	16
Misconduct – conduct prejudicial to the administration of justice or unauthorized practice	18
Misconduct – criminal action or conviction	9
Misappropriation of client funds, estate funds, fiduciary funds or law firm funds	2
Excessive fee, improper division of fee or illegal fee	0
Incapacity	0
Meritorious claims and contentions	0
Duties owed after declining or terminating representation	5
Responsibility for actions of subordinate lawyer or non-lawyer personnel	2
Conflict of interest	1
Failure to maintain complete records, account for client or third party funds, failure to maintain trust account or safeguard funds, commingling	20
Misleading advertisement or solicitation	0
Failure to respond to disciplinary agency	2
TOTAL:	93

**ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATISTICAL REPORT**

Fiscal Year 2017

NEW CASES RECEIVED	FY 2017
Complaint	1,908
Attorney Trust Account Overdraft Notice	110
Reinstatement Petitions Received	21
Resignation	1
Unauthorized Practice of Law	21
TOTAL:	2,061

NEW DOCKETED CASES	FY 2017
Complaint	240
Attorney Trust Account Overdraft Notice	14
Reinstatement Petition Received	14
Resignation	1
Unauthorized Practice of Law	3
TOTAL:	272

DOCKETED CASES BY LAW PRACTICE CATEGORY	FY 2017
Attorney Trust Account	13
Bankruptcy	10
Civil Litigation	40
Contract	1
Criminal	47
Employment Law	1
Family Law	22
Immigration	14
Injury to Persons, Property, etc.	42
Other Categories	51
Probate	13
Real Estate	4
Reinstatement	14
TOTAL:	272

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATISTICAL REPORT
Fiscal Year 2017

DOCKETED CASES BY LOCALE	FY 2017
Allegany County	0
Anne Arundel County	18
Baltimore City	55
Baltimore County	44
Calvert County	1
Caroline County	0
Carroll County	3
Cecil County	2
Charles County	3
Dorchester County	0
Frederick County	5
Garrett County	0
Harford County	7
Howard County	11
Kent County	0
Montgomery County	55
Prince George's County	25
Queen Anne's County	3
Somerset County	0
St Mary's County	0
Talbot County	4
Washington County	2
Wicomico County	4
Worcester County	2
Out of State	28
TOTAL:	272

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATISTICAL REPORT
Fiscal Year 2017

DOCKETED CASES BY PRIMARY RULE: (Primary rule violated may change during the course of the case <u>only the primary rule alleged is indicated below.</u>)	FY 2017
Competence (1.1)	22
Scope of representation/allocation of authority (1.2)	3
Diligence (1.3)	27
Communication (1.4)	21
Fees (1.5)	11
Confidentiality of Information (1.6)	5
Conflict of Interest: General Rule (1.7)	5
Conflict of Interest: Current Clients: Specific Rules (1.8)	2
Duties to Former Clients (1.9)	1
Safekeeping Property (1.15)	30
Declining or Terminating Representation (1.16)	7
Duties to Prospective Client (1.18)	1
Meritorious Claims and Contentions (3.1)	0
Candor Toward the Tribunal (3.3)	2
Fairness to Opposing Party and Counsel (3.4)	2
Trial Publicity (3.6)	2
Truthfulness in Statements to Others (4.1)	0
Communication with Person Represented by Counsel (4.2)	4
Respect for Rights of Third Persons (4.4)	0
Responsibilities of Partners, Managers, and Supervisory Lawyers (5.1)	0
Responsibilities Regarding Nonlawyer Assistants (5.3)	5
Professional Independence of a Lawyer (5.4)	1
Unauthorized Practice of Law; Multijurisdictional Practice of Law (5.5)	11
Communication Concerning a Lawyer's Services (7.1)	1
Advertising (7.2)	0
Direct Contact with Prospective Clients (7.3)	1
Bar Admission and Disciplinary Matters (8.1)	11
Judicial and Legal Officials (8.2)	1
Misconduct - Violate or attempt to violate rules through another (8.4(a))	10
Misconduct - Commit a criminal act (8.4(b))	12
Misconduct - Dishonesty, fraud, deceit, misrepresentation (8.4(c))	25
Misconduct - Prejudicial to administration of justice (8.4(d))	25
Other (Reinstatement, Reciprocal, Inactive, etc)	24
TOTAL:	272

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATISTICAL REPORT
 Fiscal Year 2017

DISPOSITION OF CASES	FY 2017
Administratively Closed	87
Disbarment by COA	28
Disbarment by Consent	47
Dismissed by Commission	66
Dismissed by Court	4
Dismissed with Warning	54
Inactive by COA	0
Inactive by Consent	7
Indefinite Suspension	5
Indefinite Suspension by Consent	39
Reinstatement - Denied	7
Reinstatement - Granted	8
Reinstatement – Withdrawn	1
Reprimand by Commission	25
Reprimand by COA	1
Reprimand by COA by Consent	3
Resignation	1
Suspension 30 Days	0
Suspension 30 Days by Consent	4
Suspension 60 Days	0
Suspension 60 Days by Consent	1
Suspension 90 Days	0
Suspension 90 Days by Consent	1
Suspension 120 Days by Consent	2
Suspension 6 Months by Consent	1
Suspension 1 Year	1
Suspension 1 Year by Consent	1
TOTAL:	394

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATISTICAL REPORT
 Fiscal Year 2017

DISCIPLINARY ACTION (by number of Attorneys)	FY 2017
Disbarment	14
Disbarment by Consent	19
Indefinite Suspension	5
Indefinite Suspension by Consent	18
Suspension	8
Dismissed by COA	4
Inactive	0
Inactive by Consent	4
Interim Suspension	3
Reinstatement – Denied	7
Reinstatement – Granted	8
Reinstatement – Withdrawn	1
Reprimand by Commission	22
Reprimand by COA	1
Reprimand by COA by Consent	3
Resignation	1
TOTAL:	118

ATTORNEY GRIEVANCE COMMISSION
OF MARYLAND
Annapolis, Maryland

AUDITED FINANCIAL STATEMENTS
June 30, 2017 and 2016

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INDEPENDENT AUDITORS' REPORT

To the Commissioners
Attorney Grievance Commission of Maryland

Report on the Financial Statements

We have audited the accompanying financial statements of the Attorney Grievance Commission of Maryland, which comprise the balance sheets as of June 30, 2017 and 2016, and the related statements of budget, receipts, expenditures, and fund balance, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

ANNAPOLIS

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Annapolis, MD 21401
410.841.5575

HeimLantz.com

ALEXANDRIA

1900 Duke Street, Suite 110
Alexandria, VA 22314
703.299.6565

Opinion

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the Attorney Grievance Commission of Maryland as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in blue ink, appearing to read "Heimberg", is positioned above the typed name and date.

Annapolis, Maryland
October 30, 2017

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND

BALANCE SHEETS

JUNE 30, 2017 and 2016

2017

2016

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 875,626	\$ 113,880
Investments - short-term	2,746,042	3,849,238
Attorney assessments receivable	2,865	2,880
Due from Client Protection Fund - salary and benefits	33,385	117,340
Pension receivable	-	10,421
Prepaid expenses	52,596	23,454
TOTAL CURRENT ASSETS	3,710,514	4,117,213

NON-CURRENT ASSETS

Investments - long-term	1,000,436	-
Property and equipment, net	45,364	92,740
Security deposits	20,020	20,020
TOTAL NON-CURRENT ASSETS	1,065,820	112,760

TOTAL ASSETS

\$ 4,776,334	\$ 4,229,973
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LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts payable and other current liabilities	\$ 80,834	\$ 174,881
Pension payable	152,407	-
Accrued compensated absences	208,203	272,369
Current portion of deferred lease expense	5,859	5,859
TOTAL CURRENT LIABILITIES	447,303	453,109

Deferred lease expense	41,016	46,875
Retiree health insurance credit plan	370,029	267,470

TOTAL LIABILITIES	858,348	767,454
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FUND BALANCE

Restricted	734,758	192,898
Unrestricted	3,183,228	3,269,621
TOTAL FUND BALANCE	3,917,986	3,462,519

TOTAL LIABILITIES AND FUND BALANCE

\$ 4,776,334	\$ 4,229,973
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The accompanying notes are an integral part of the financial statements.

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATEMENTS OF BUDGET, RECEIPTS, EXPENDITURES, AND FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2017 and 2016

	<u>2017</u>			<u>2016</u>
	<u>Actual</u>	<u>Budget</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
COMMISSION RECEIPTS				
Attorney Assessments	\$ 4,428,111	\$ 4,370,960	\$ 57,151	\$ 4,044,737
Investment Income	20,422	30,000	(9,578)	27,788
Court Recovered Costs	53,151	32,000	21,151	54,976
Other Income	22,310	-	22,310	-
CPF Reimbursements	368,675	378,435	(9,760)	380,807
TOTAL RECEIPTS	<u>4,892,668</u>	<u>4,811,395</u>	<u>81,273</u>	<u>4,508,308</u>
COMMISSION EXPENSES				
Personnel Costs	2,786,056	3,242,804	(456,748)	2,970,077
Case Management Costs	258,664	313,816	(55,152)	241,859
Staff Support	101,724	122,000	(20,276)	89,193
Outside Services	108,158	63,000	45,158	55,886
Information Technology Support	226,095	229,000	(2,905)	201,226
Office Expense	381,525	390,767	(9,242)	417,123
Court Mandated Costs	145,516	166,500	(20,984)	153,644
Client Protection Fund - Payroll	236,564	236,564	-	230,485
TOTAL EXPENDITURES	<u>4,244,303</u>	<u>4,764,451</u>	<u>(520,148)</u>	<u>4,359,493</u>
INCREASE (DECREASE) IN UNRESTRICTED FUND BALANCE	<u>\$ 648,365</u>	<u>\$ 46,944</u>	<u>\$ 601,421</u>	<u>\$ 148,815</u>
FUND BALANCE, BEGINNING OF YEAR	3,462,519			3,722,483
RESTRICTED FUND BALANCE, PRIOR YEAR	(192,898)			(408,778)
RESTRICTED FUND BALANCE, CURRENT YEAR	734,758			192,898
UNRESTRICTED FUND BALANCE	<u>3,183,228</u>			<u>3,269,621</u>
FUND BALANCE, END OF YEAR	<u>\$ 3,917,986</u>			<u>\$ 3,462,519</u>

The accompanying notes are an integral part of the financial statements.

THE ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2017 and 2016

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2017</u>	<u>2016</u>
Increase in unrestricted fund balance:	\$ 648,365	\$ 148,814
Adjustments to reconcile increase in unrestricted fund balance to cash provided (used) by operating activities		
Depreciation	51,519	68,053
(Increase) decrease in:		
Attorney assessments receivable	16	7,590
Due from Client Protection Fund	83,955	3,828
Other receivables	-	5,641
Prepaid expenses	(29,142)	11,600
Pension receivable	10,421	(10,421)
Increase (decrease) in:		
Accounts payable	(94,047)	97,102
Pension payable	152,407	(19,222)
Accrued compensated absences	(64,166)	(38,046)
Retiree health insurance credit plan	102,559	111,177
Deferred lease expense	(5,859)	(5,860)
Excess fund balance	(192,898)	(408,778)
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>663,130</u>	 <u>(28,522)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (purchase) of investments - net	102,759	(199,414)
Purchase of property & equipment	(4,143)	(10,919)
 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	 <u>98,616</u>	 <u>(210,333)</u>
 NET INCREASE (DECREASE) IN CASH	 <u>761,746</u>	 <u>(238,855)</u>
 CASH AT BEGINNING OF YEAR	 <u>113,880</u>	 <u>352,735</u>
 CASH AT END OF YEAR	 <u><u>\$ 875,626</u></u>	 <u><u>\$ 113,880</u></u>

The accompanying notes are an integral part of the financial statements.

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 and 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

Nature of the Commission

The Attorney Grievance Commission of Maryland, (the Commission) was authorized and created by the Court of Appeals of Maryland on February 10, 1975 to supervise and administer the discipline and inactive status of attorneys under Maryland rules. The Commission oversees the conduct of both Maryland lawyers and nonmembers of the Maryland Bar who engage in the practice of law in the State. The Commission investigates and, where indicated, prosecutes attorneys whose conduct violates the Maryland Lawyers Rules of Professional Conduct as well as those engaged in the unauthorized practice of law.

Basis of Accounting

As an instrumentality of the Maryland Court of Appeals, the Commission maintains its accounting records on a basis consistent with generally accepted accounting principles. The Commission's funds are used to account for the proceeds of revenue sources that are restricted to expenditures for specific purposes. These financial statements reflect only the activity of an unrestricted fund.

Revenue and Revenue Recognition

Attorney assessments are the Commission's primary source of revenue. Assessments are received through payments made by individual attorneys to the Client Protection Fund of the Bar of Maryland (the Fund) on a billing which includes assessments for the Fund and the Commission. These annual assessments are required by the Maryland court system for any individual admitted to practice before the Court of Appeals or issued a certificate of special authorization under Rule 15 of the Rules Governing Admission to the Bar of Maryland, or any individual who holds himself or herself out as being admitted to practice in Maryland by any means.

Since there is no requirement that an individual remain admitted to practice law in the State of Maryland, assessments are deemed to be revenue only when collected, the only receivable on these financial statements are assessments collected by the Client Protection Fund but not yet remitted to the Commission. Based on prior experience, management feels that all amounts will be collected; therefore, there is no allowance for doubtful accounts included in these financial statements. The assessment collected by the Commission for each attorney in practice was \$110 for the year ended June 30, 2017 and \$105 for the year ended June 30, 2016. The number of practicing attorneys assessed during the years ended June 30, 2017 and 2016 was 39,890 and 40,707, respectively.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status

The Commission is an instrumentality of the Maryland Court of Appeals and as such is not subject to income taxes. Accordingly, no provision has been made. The Commission believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents represent cash held in checking, savings and money market accounts with original maturities of less than ninety days.

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017 and 2016

Investments

The Commission invests in U.S. Government securities, including Treasury Bills and Treasury notes, and certificates of deposit. Investments are recorded at market value as of the balance sheet date.

Property and Equipment

Acquisitions of equipment and furniture and all expenditures for repairs, maintenance, and betterments costing \$1,000 or greater that materially prolong the useful lives of assets are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Equipment and furniture are stated at cost, less accumulated depreciation. Depreciation and amortization are computed using the straight-line method over estimated useful lives of three to thirty-nine years. Leasehold improvements are amortized on the straight-line method over the shorter of the lease term or estimated useful life of the asset.

Compensated Absences

The entity accrues a liability for certain sick leave, and all annual leave which has been earned but not taken by the employees. Employees can earn a maximum of 25 days for annual leave a year. Annual leave can be accumulated up to 35 days. There is no requirement that annual leave be taken in the year earned. Upon termination, employees are paid for any accumulated annual leave. Employees hired prior to January 1, 1989 are reimbursed one third of accumulated sick leave, up to sixty days upon termination. Employees hired after 1988 are not reimbursed for accumulated sick leave.

NOTE 2 – INVESTMENTS

Investments are stated at their readily determinable fair value at June 30, 2017 and June 30, 2016 and are comprised of brokerage certificates of deposit, which are classified as held to maturity securities as follows:

<u>June 30, 2017</u>				
	<u>Amortized cost</u>	<u>Gains in accumulated comprehensive income</u>	<u>Losses in accumulated comprehensive income</u>	<u>Estimated fair value</u>
Certificates of Deposit	\$ 3,754,000	\$ -0-	\$ 7,522	\$ 3,746,478
Total	<u>\$ 3,754,000</u>	<u>\$ -0-</u>	<u>\$ 7,522</u>	<u>\$ 3,746,478</u>
<u>June 30, 2016</u>				
	<u>Amortized cost</u>	<u>Gains in accumulated comprehensive income</u>	<u>Losses in accumulated comprehensive income</u>	<u>Estimated fair value</u>
Certificates of Deposit	\$ 3,845,000	\$ 4,238	\$ -0-	\$ 3,849,238
Total	<u>\$ 3,845,000</u>	<u>\$ 4,238</u>	<u>\$ -0-</u>	<u>\$ 3,849,238</u>

The maturity dates of the certificates of deposit held at June 30, 2017 ranged from September 6, 2017 to March 28, 2019. The maturity dates of the certificates of deposit held at June 30, 2016 ranged from September 6, 2016 to May 12, 2017.

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017 and 2016

For the years ending June 30, 2017 and 2016, investment income consisted of the following:

<u>Year ended</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Interest Income	\$ 29,036	\$ 27,258
Unrealized Gain/(Loss)	<u>(8,615)</u>	<u>530</u>
Total Investment Income	<u>\$ 20,422</u>	<u>\$ 27,788</u>

For purposes of determining gross realized gain/loss, securities sold are based on specific identification.

NOTE 3 – FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Association has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial instruments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are financial instruments where values are based on unadjusted quoted prices for an identical asset in an active market the Commission has the ability to access.

Level 2. These are financial instruments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full-term of the financial instruments.

Level 3. These are financial instruments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the financial instruments. These financial instruments include non-readily marketable securities that do not have an active market.

All of the Commissions' investments are stated at fair value on a recurring basis, using level 1 inputs. Unrealized gains and losses are included as a component of investment income.

<u>Year ending</u>	<u>June 30 2017,</u>	<u>June 30, 2016</u>
Certificates of Deposit (Investments – short term)	\$ 2,746,042	\$ 3,849,238
Certificates of Deposit (Investments – long term)	<u>1,000,436</u>	<u>-</u>
Total Investments	<u>\$ 3,746,478</u>	<u>\$ 3,849,238</u>

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30:

	<u>2017</u>	<u>2016</u>
Computer equipment	\$ 70,831	\$ 70,831
Furniture and fixtures	<u>69,277</u>	<u>65,133</u>

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017 and 2016

Leasehold improvements	17,390	17,390
Software	118,796	118,796
Total property and equipment	276,293	272,150
Less accumulated depreciation	230,929	179,410
Property and equipment, net	\$ 45,364	\$ 92,740

Depreciation expense for the periods ending June 30, 2017 and 2016 was \$51,519 and \$68,053, respectively.

NOTE 5 - PENSION PLAN

The Commission sponsors a trustee defined contribution pension plan covering substantially all employees meeting minimum age and service requirements. Contributions to the plan during the years ended June 30, 2017 and 2016 were \$237,064 and \$286,734, respectively. This amount is equal to 15% of the participant's compensation. As of June 30, 2017 \$152,407 was owed by the Commission to the plan, and the Commission had an overpayment of \$10,421 as of June 30, 2016.

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS

On September 1, 2012 the Commission adopted an Other Postemployment Benefit Plan (OPEB) in order to provide health insurance expense reimbursement benefits to eligible retirees and their surviving spouses. The official name of the plan is “The Attorney Grievance Commission of Maryland Retiree Health Insurance Credit Plan.” The Eligible retirees will include employees with at least ten years of service and have attained age fifty-five, or persons who have become disabled and are receiving benefits under the terms of the Social Security Act. Surviving spouses must have been covered under this plan at the time of the retiree’s death and enroll in the Plan on the first day of the month following the death of the covered retiree. Plan benefits will be paid directly by the Commission to the retiree at a rate of the lesser of \$4,200 annually or their actual health insurance premiums. The total contribution expense charged as an expenditure in the current year was \$127,000. The actual and estimated schedules of employer contributions and funding progress are as follows through June 30, 2016, assuming a discount rate of 3.5%:

Schedule of Employer Contributions

Year Ended June 30,	Annual OPEB Cost	Actual Contribution	Percentage Contributed	Net OPEB Obligation
2014	\$57,000	\$6,996	12.3%	\$103,179
2015	\$59,000	\$5,886	9.98%	\$156,293
2016	\$123,000	\$11,823	9.61%	\$267,470
2017	\$127,000	\$24,441	19.24%	\$370,029

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio
7/1/2014	\$0	\$418,000	\$418,000	0.0%
7/1/2015	\$0	\$848,000	\$848,000	0.0%
7/1/2016	\$0	\$903,000	\$903,000	0.0%

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017 and 2016

NOTE 7 – LEASE COMMITMENT

The Commission leases office space in Annapolis, MD. The lease calls for monthly rental payments beginning on July 1, 2016. The lease is an operating lease and the agreement expires in 2025, with an option to renew for up to five years. In the normal course of business, it is expected that available options to renew will be exercised.

In addition, part of the new lease included a lease incentive of deferred lease expense for the first three months of the agreement. The total remaining amount of deferred lease expense provided by the lessor was \$41,016. This amount is reported on the Balance Sheet as deferred lease expense and is amortized over the life of the lease.

The following is a schedule by year of future minimum rental payments required under the operating lease agreements:

June 30, 2018	240,236
June 30, 2019	240,236
June 30, 2020	240,236
June 30, 2021	240,236
June 30, 2022	<u>240,236</u>
Total	<u>\$ 1,201,180</u>

NOTE 8 - RELATED PARTY TRANSACTIONS

The Commission has significant transactions with the Client Protection Fund of the Bar of Maryland, an instrumentality of the State of Maryland. All assessments of the Client Protection Fund of the Bar of Maryland and the Attorney Grievance Commission of Maryland are billed and collected by the Client Protection Fund of the Bar of Maryland and the Commission's portion is transferred monthly by check.

During the years ending June 30, 2017 and 2016 the Client Protection Fund of the Bar of Maryland was billed \$369,773 and \$382,187, respectively by the Commission for fees incurred for salaries, benefits and lease expenses. At June 30, 2017 and 2016, the Client Protection Fund of the Bar of Maryland owed these fees to the Commission in the amount of \$2,865 and \$117,340, respectively. In addition, the Client Protection Fund of the Bar of Maryland owed to the Commission attorney assessments in the amount of \$0 and \$2,880 at June 30, 2017 and 2016, respectively.

NOTE 9 – BONDS

The Commission has a \$6,000,000 blanket crime protection insurance policy in effect for employee dishonesty.

NOTE 10 – CONTINGENCIES

Prior to the 2014 fiscal year, the Maryland Court of Appeals, at its discretion, was permitted to order a transfer of funds from the Commission to court related agencies. On March 13, 2014 an Administrative Order was issued by the Maryland Court of Appeals, requiring the Commission to maintain a Fund Balance of 75% of the prior year's fiscal expenditures. Any excess Fund Balance amount would be due to the Client Protection Fund, as of 30 days following the issuance of annual audited financial statements. As this amount cannot be determined by the Commission as of the fiscal year end, and it has not been declared or approved by the Courts, it is not a current liability of the Commission, but rather a restricted portion of the fund balance. Per this Order, at June 30, 2017 and 2016, the Commission owed \$734,758 and \$192,898 to the Client Protection Fund, respectively. This amount is set aside as "Restricted Fund Balance" on the June 30, 2017 and 2016 balance sheets. The \$192,898 owed as of June 30, 2016 was paid to the Client Protection Fund by the Commission on November 8, 2016.

ATTORNEY GRIEVANCE COMMISSION OF MARYLAND
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2017 and 2016

NOTE 11 – RECLASSIFICATIONS

Certain amounts in the prior periods presented have been reclassified to conform to the current period financial statement presentation. These reclassifications have no effect on previously reported net income.

NOTE 12 – MANAGEMENT’S SUBSEQUENT REVIEW

The Commission has evaluated subsequent events through October 30, 2017, the date which the financial statements were available to be issued, and no events were noted that would materially impact the financial statements.