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**ORDER OF THE SUPREME COURT OF  
ILLINOIS DENYING PETITION TO VACATE  
SUSPENSION ORDER  
(JULY 9, 2021)**

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**SUPREME COURT OF ILLINOIS**

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**IN RE: LANRE O. AMU**

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**M.R.026545**

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Today the following order was entered in the captioned case:

This cause coming to be heard on the petition of petitioner, Lanre O. Amu, *pro se*, a response having been filed by the Administrator of the Attorney Registration and Disciplinary Commission, and the Court being fully advised in the premises;

**IT IS ORDERED** that the petition to vacate this Court's suspension order and certain other relief is denied.

Order entered by the Court.

Very truly yours,

/s/ Carolyn Taft Grosboll  
Clerk of the Supreme Court

cc: Michelle Thome  
Steven Robert Splitt

**ORDER OF THE  
SUPREME COURT OF ILLINOIS  
SUSPENDING FROM PRACTICE OF LAW  
(MAY 16, 2014)**

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**SUPREME COURT OF ILLINOIS**

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**IN RE: LANRE O. AMU**

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**M.R.26545**

**Disciplinary Commission**

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Today the following order was entered in the captioned case:

The petition by respondent Lanre O. Amu for leave to file exceptions to the report and recommendation of the Review Board is denied. Respondent is suspended from the practice of law for three (3) years and until further order of the Court, as recommended by the Review Board.

Order entered by the Court.

Very truly yours,

/s/ Carolyn Taft Grosboll

Clerk of the Supreme Court

cc: Mr. Steven Robert Splitt  
Kenneth G. Jablonski, One Prudential Plaza

**ORDER OF THE SUPREME COURT OF  
ILLINOIS DENYING EN BANC  
RECONSIDERATION  
(AUGUST 17, 2021)**

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**SUPREME COURT OF ILLINOIS**

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**IN RE: LANRE O. AMU**

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**M.R.26545**

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Today the following order was entered in the captioned case:

This cause coming to be heard on the motion of petitioner, Lanre O. Amu, *pro se*, due notice having been given, and the Court being fully advised in the premises;

IT IS ORDERED that the motion for an *en banc* reconsideration of the order entered on July 9, 2021, denying verified petition to unconditionally vacate the wrongful suspension of law license and for further or alternate relief(s) is denied.

Order entered by the Court.

Very truly yours,

/s/ Carolyn Taft Grosboll  
Clerk of the Supreme Court

cc: Michelle Thome  
Steven Robert Splitt

**'LANRE AMU OPEN LETTER TO THE  
ATTORNEY REGISTRATION AND  
DISCIPLINARY COMMISSION  
(JULY 26, 2011)**

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**'LANRE O. AMU  
ATTORNEY AT LAW  
407 SOUTH DEARBORN STREET, SUITE  
1550 CHICAGO, ILLINOIS 60605**

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**Telephone (312) 922-1221  
Fax (312) 922-1311**

July 26, 2011

**AN OPEN LETTER TO THE ATTORNEY REGISTRATION  
AND DISCIPLINARY COMMISSION**

**Mr. Jerome Larkin  
Administrator  
ARDC, Commission of Supreme Court of Illinois  
130 E. Randolph Drive  
Chicago, Illinois 60601  
312-565-2600 312-565-2320**

**Mr. Robert J. Verrando  
Senior Counsel, ARDC  
Commission of Supreme Court of Illinois  
130 E. Randolph Drive  
Chicago, Illinois 60601  
312-565-2600  
f312-565-2320**

**In re: Lanre O. Amu in relation to Radusa Ostojic,  
Suzanne, Lynn Egan  
No: 2011 IN 03015, 03106, 03107**

Dear Mr. Verrando:

I believe in an open letter because what I am getting in private, I do not understand it. We can communicate openly for fair minded people to follow the dialogue.

Today, I received an ARDC complaint filed against me by Mr. Bernard Adjirackor, a client. I sincerely welcome an investigation into the client's complaint. I thank you very much for forwarding the complaint to me to respond. It would have been wrong for you to conclude prematurely that the complaint fails to provide sufficient information to lead to the conclusion that unethical conduct occurred. I Believe in an Investigation That Is Honest, Open, Fair and Comports with Due Process and Integrity.

Ironically, I also received today your response to the ARDC complaints that I filed against Attorney Radusa Ostojic, Attorney Suzanne M. Crowley, the Law Office of James Hoffman and Associates, and the Law Firm of Pretzel and Stouffer for Knowing Participating in a Scheme to Fix a Case Before Judge Lynn M. Egan.

Sir, your conclusory findings are a complete shock to me. Why are you defensive of these people prior to getting their sworn responses to my complaint? Your conclusion as stated is that my complaint fails to provide sufficient information to lead to the conclusion that unethical conduct occurred. That I simply report my suspicions that dishonest conduct occurred. With all due respect Mr. Verrando, you are dead wrong. Your conclusion is laughable. Were you in court in the almost one year saga this matter was in court? Were you present? Do you have personal knowledge of anything

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concerning this matter? SIR, I DO KNOW FRAUD AND CORRUPTION OCCURRED!!!!. [Exclamation Mark for Emphasis] You failed to do your due process analysis as to what you must do to enable a fair and transparent investigation. I did not ask for your opinion. First, please send my complaint to each person that I complain about for his or her sworn response. Then, send me the sworn response for me to send you a sworn reply. If after reviewing all the complaint, the response and the reply, you conclude that my complaint fails to provide sufficient information, then you would have created a proper record to justify such conclusion. That will be considered a honest, transparent, and fair investigation that comports with due process. You have a duty to conduct a Honest, Transparent, and legitimate investigation. Otherwise, you are leaving me unprotected. You are encouraging such conduct to happen to others.

Again, with all due respect sir, you are premature and wrong on your conclusion. You have not investigated my complaint and you are closing the case. That is very improper for ARDC to do. Have you heard the sworn responses of those I complain about first? What does due process and fairness require of you as a public official of ARDC? Why are you shielding the people I complain about from the burden of responding or denying or admitting the allegations in my sworn complaint? Every human being has the light of Conscience. Rooting out Corruption and Fraud is the duty of everyone, its not the exclusive duty of ARDC. If ARDC wants to turn a blind eye, it is my responsibility and duty as a lawyer and an officer of the court to cry foul!, and resolve this matter in the public arena and in the courts.

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Why have you not sent my complaints to each of them to respond to first, and give me an opportunity to reply? Why spare them the burden of responding? The opinion you are making is not yours to make. Let those who I am complaining about make their response in a sworn statement.

I hereby disagree very strongly with your quick conclusion and ask that you reopen the investigation immediately. I ask that you follow proper protocol by sending my complaints to each of the to respond to just as you have been sending complaints filed against me to me to respond to. An analogy, a complaint filed in court is served on the defendant. The judge does not sua sponte dismiss the complaint on behalf of a defendant saving the defendant the embarrassment of answering the complaint. That is not done anywhere in the world. That does not comport with due process, that is very unfair. Otherwise, I will be forced to conclude that there is selective enforcement of the law at the ARDC, that the ARDC is often times being used as attack dog or tool of intimidation against some attorneys while ARDC shields other attorneys perceived to be connected.

Sir, Your Conclusion Is Unacceptable to Me and its an Insult to Common Sense, Transparency, Honesty, and Integrity in the Fair and Impartial Administration of Justice at the ARDC. It must Be Equal Treatment for All. There must Be No Sacred Cows.

I do not want to make the conclusion that minority lawyers have often known and heard about the ARDC and its processes: that it is often biased. Please do not force me into that conclusion and its legal implications. Frankly, I will look into my legal options against ARDC if you do not reverse your decision on

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this matter and do what due process mandates. I will consider filing a lawsuit in federal court, I will contact the justice department, and seek all and every remedy for this.

I again demand that you send my complaint to each person I complain about, and I demand that you send me their sworn statements in response to my complaint for my reply. If you do not do that prior to injecting your own opinion, then, with all due respect, you are not doing your job. You are biased and thereby undermining integrity in the courts. That will be contrary to the mandate of the ARDC and its proclamations. I will then seek all of my redress against you for your conduct.

If you have any questions, please write me. Thank you very much.

Very truly yours,  
'Lanre O. Amu  
Attorney at Law

**LETTER FROM ILLINOIS DISCIPLINARY  
COMMISSION TO 'LANRE AMU  
(AUGUST 4, 2011)**

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**ATTORNEY REGISTRATION AND  
DISCIPLINARY COMMISSION of the  
SUPREME COURT OF ILLINOIS**  
[www.iardc.org](http://www.iardc.org)

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Lame O. Amu  
The Law Office of 'Lanre O. Amu  
407 S. Dearborn Street, Ste. 1550  
Chicago, IL, 60605-1144

Chicago  
August 4, 2011

Re: Radusa Ostojic  
In relation to Lanre O. Amu  
No. 2011IN03105

Suzanne Crowley  
In relation to Lanre O. Amu  
No. 2011IN03106

Lynn Egan  
In relation to Lanre O. Amu  
No. 2011IN03107

Dear Mr. Amu:

Your letter to Jerome Larkin, reiterating your original complaint in this matter, has been referred to me. Thank you for articulating your specific concerns about the order vacating the default judgment in your case. However, the actions you describe do not rise to the level of ethical misconduct. You seem to have

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based your conclusions solely on circumstance and suspicion. This is insufficient to sustain a charge of ethical misconduct. The mere fact that lawyers and judges know each other, or even that they are related, does not taint their every act. Further, you report that the appellate court rejected your claim of official misconduct and affirmed the judgment.

Given these circumstances, we will proceed no further.

Very truly yours,

/s/ Robert J. Verrando  
Senior Counsel

**'LANRE AMU LETTER TO ATTORNEY  
REGISTRATION AND  
DISCIPLINARY COMMISSION  
(AUGUST 5, 2011)**

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**'LANRE O. AMU  
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August 5, 2011

Mr. Jerome Larkin  
Administrator  
ARDC, Commission of Supreme Court of Illinois  
130 E. Randolph Drive  
Chicago, Illinois 60601  
312-565-2600 312-565-2320

In re: Lanre O. Amu in relation to Radusa Ostojic,  
Suzanne, Lynn Egan  
No: 2011 IN 03015, 03106, 03107

Dear Mr. Larkin:

Today, I received a letter dated August 4, 2011 from Mr. Robert J. Verrando. The letter is short, conclusory but erroneous. Mr. Verrando seems to be assisting you in responding to my letter to you dated July 26, 2011. Sir, with all due respect. I find this approach somewhat circular, illogical, and improper. We are not getting anywhere in this disagreement. We seem to be going in circles.

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Mr. Larkin, I wrote you as Mr. Verrando's ultimate supervisor because I respectfully disagreed with Mr. Verrando. I expected the courtesy of hearing from you directly, in detail and with specifics. I did not expect that you will return my complaint about Mr. Verrando's assessment back to Mr. Verrando. We seem to be going in circles here.

Again, Mr. Larkin, I expected to hear from you directly and not be caught in an illogical circular loop with Mr. Verrando. I respect Mr. Verrando. I have nothing personal with him, as far as I know, I have not met Mr. Verrando. This is about Accountability, Transparency and Integrity in the discharge of public office and in straight forwardly addressing issues that create unfair and unethical advantage and disadvantage to lawyers in the courthouse. This is the province of the ARDC. Every human being has the light of Conscience. Mr. Larkin, certainly, you have given numerous lectures on Ethics as the Administrator of the ARDC. We all know that Ethics does not begin and end with giving mere lectures alone. Ethics includes practicing what we preach. I disagree with Mr. Verrando, I am asking you as the supervisor to do the proper thing as outlined in my letter dated July 26, 2011 to you. I am a human being. I have common sense. I am a lawyer in Illinois. All persons are equal under our laws. I expect and I am entitled to an Authentic, Transparent, Honest, and Open investigation of my complaint by your office. What I have seen from your office so far amounts to a cover up and an insult to my intelligence. All I got from Mr. Verrando is a summary denial of investigation based on his own subjective opinion. The opinion has no basis in

fact, and can never until he hears from the other side in writing, and gives me an opportunity to reply.

Again, it is premature, illogical, presumptuous and improper for Mr. Robert J. Verrando to be interjecting himself into my complaint without first waiting to hear a response to my complaint from those I complain about, and then giving me an opportunity to reply to their responses. With all due respect, Mr. Robert J. Verrando is not the authority on Ethics. Mr. Verrando is simply a Senior Attorney at the ARDC.

With all due respect to Mr. Verrando, his writings to me have exposed an ignorance or misapprehension of the true nature of the ethical violations I complain about. He has also displayed an ignorance of its impact on me, my law practice, and my client. I guess we do not count. He has interjected his own premature and subjective opinion without an articulated basis thereby saving the persons I complain about the burden of a written response as is customary in this type of investigations. The people I complain about are not toddlers in need of Mr. Verrando's help in articulation. They can articulate for themselves, and they MUST first respond in detail to the allegations of my complaint<sup>1</sup> and I MUST be given an opportunity

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<sup>1</sup> Each person I complain about is free to admit or deny each and every allegation I make in the complaint (in detail and with specifics of course) subject to the penalty of perjury. They do not need Mr. Verrando for that. In fact, Mr. Verrando has no personal knowledge of anything in the complaint and must not jump into conclusion until all the responses and replies are in. It is the responses and the replies that can form a basis of Mr. Verrando's conclusion that its circumstantial or based on suspicion. If an allegation is denied, Amu has the burden of overcoming the denial in a reply and proving the allegation. If Amu cannot prove it, then it becomes circumstantial or based solely on suspicion. If the

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to reply in detail to their responses. It is after these steps have been observed that Mr. Verrando will be fully informed in writing on the premises. Mr. Verrando can then interject his subjective opinion as he has done. Mr. Verrando's actions as a public official at this point, knowingly or unknowingly, amounts to obstruction of justice or an attempt at a "cover up" at this point. If true, it seems ARDC is not interested in seeing what may unfold here. If so, what then is the ARDC afraid of? I once read the novel "Animal Farm" and I am going back to it in my memory concerning this saga. I hope its not true. Is ARDC equally protecting and holding accountable every lawyer in Illinois? Are the average Joe lawyers protected and held accountable by the ARDC the same way as the big time lawyers? Or does the ARDC have a "Safe Haven" or "Shield of Protection" for some of the connected lawyers? Are some lawyers above the law while the "average Joe" lawyers are subject to the law? These are the issues running in my mind. I hoped am wrong. But your actions will clarify things for me.

Addressing the points mentioned in Mr. Verrando's letter dated August 4, 2011:

1. Mr. Verrando is wrong in stating that "I articulated specific concerns about the order vacating the default judgment in my case". This is simplistic, a mis-characterization and is erroneous. If Mr. Verrando believes that is the issue, then he missed the point of

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allegations are admitted, then they are no longer circumstantial or based on suspicion. To conclude it is circumstantial or based on suspicion prior to a response and a reply is unfair, premature and unwarranted.

my complaint. The reason he missed the point of my complaint is in part because he prematurely interjected himself and his opinion prior to sending the complaint to those complained about for a response before making his own subjective opinion known. Mr. Verrando has no personal knowledge of anything in this case. Why is he shielding these people from responding to my complaint? I am not required to produce the evidence at the complaint stage unless my complaint is denied. I am simply required to state my allegations in the complaint. Mr. Verrando missed the larger issue which is the impact of these types of practices in creating unfairness and miscarriage of justice in our court-rooms. The fact that in a fair and just society we all have to live by the same set of rules so there are settled expectations. The impact of "arranged or conspired" nepotism or corruption in court proceedings. The impact in excluding the "average Joe" lawyers and minority lawyers from certain areas of practice in our courtrooms through these practices. For a senior attorney at the ARDC to miss this implication is sad. If anything, this type of attitude by the ARDC is socially irresponsible, as it amounts to a shirking of responsibility. It perpetuates the status quo. The responsibility of maintaining a level playing field in the practice of law in our courtrooms falls squarely on the ARDC who polices what is acceptable or not acceptable conduct by lawyers big and small. A hands-off free for all where anything goes and there are no rules puts the minority lawyers and the "average Joe" lawyers at a great disadvantage and at the mercy of the connected lawyers who know they can get away with anything and everything in their strive for victory or that which is profitable for them. Is ARDC aware of how ARDC's attitude towards Ethics complaints

impacts corruption and justice in our courts and by implication in our society?

2. Mr. Verrando's conclusory claim that the actions I describe do not rise to the level of ethical misconduct is mistaken and premature. What actions is he referring to? Why not wait to hear from those complained about and my reply to their response before prematurely concluding whether or not there is or is not an ethical violation?

3. Mr. Verrando claims, "you seem to have based your conclusions solely on circumstantial and suspicion". That is another erroneous conclusion without basis. Mr. Verrando has no personal knowledge of anything here. He acts improperly. First he must allow those complained about to respond in writing to my complaint and allow me an opportunity to reply before jumping into conclusion that I am concluding anything or that anything is on mere suspicion. There is no basis whatsoever for that statement prior to getting a written response from those I complain about, and prior to getting a reply from me.

4. Mr. Verrando claims that, "the mere fact that lawyers and judges know each other or even that they are relate does not taint their every act" That conclusion is premature, vague and unwarranted prior to getting a written response to my complaint from those I complain about and giving me an opportunity to reply. So what judicial acts does nepotism taint and what judicial acts does nepotism not taint? This type of opinion coming from a regulatory body like the ARDC? With all due respect, it is only after those due process steps have been taken, that Mr. Verrando

will have a clear understanding of what the issues are to be able to draw conclusions as he prematurely did.

5. Mr. Verrando claims that, "further, you report that the appellate court rejected your claim of official misconduct and affirmed the judgment" This is another erroneous conclusion. This is clear evidence that Mr. Verrando does not understand the issues or misapprehends the issues. Mr. Verrando must follow the proper protocol for a authentic, transparent and open investigation before drawing these kinds of erroneous conclusions he is drawing. In fact, the argument of those I complained about in the Illinois Supreme Court is that ethical issues is not the province of the courts to address. That it is the province of the Judicial Inquiry Board for judicial ethics violations and by implication the province of the ARDC for attorney ethics violations. Ironically, Mr. Verrando is now implying it is the province of the courts not ARDC to address ethical violations. If that is true, then what is the ARDC for? Just to go after "average Joe" lawyers for misappropriating \$10,000 etc., of client money and offer protection to those who make millions winning millions by fraud in contravention of Ethical rules the "average Joe" lawyer must live by? The average Joe lawyer definitely cannot contribute meaningfully to any judge's campaign while those who make millions violating ethical rules can fortify their connections by campaign contributions. How ironic and ridiculous? How can any authentic regulatory body turn a blind eye to this or try to cover it up? In Mr. Verrando's opinion, even a litigant subjected to a collusive and a sham hearing has no recourse at the ARDC to get to the bottom of what happened because there was a court hearing anyways, and the appel-

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late court which granted discretion to the trial judge presiding over the scam must be right. Even though the details of the scam was not obvious to the appellate court when it decided the issue and granted discretion to the trial judge's findings. In essence if this circular reasoning prevails, corruption cannot be successfully challenged or exposed. It is the very knowledge of this fact that emboldens the connected lawyers to perpetuate this type of oppressive behavior. The oppressive behavior that is in part responsible for the social injustice we see in our society. The violators know that ARDC will do nothing about it because of their connections. They know it is profitable for them and no one can stop them. So what stops the conduct from being repeated? What stops another "average Joe" lawyer from being slammed in the very same manner? Under these scenarios, minority lawyers and the "average Joe" lawyers can be banned or wiped out of certain areas of practice and they cannot challenge it anywhere. We get out of Law school only to face the same types of segregation imposed by corruption. That is unacceptable. I respectfully challenge that.

With all due respect, it is not in Mr. Verrando's place to jump into the defense of those I complained about without first allowing them to respond to the complaint. Such conduct by a public official will amount to obstruction of justice or a cover up. It is not in Mr. Verrando's place to interject as he is doing at this stage. In fairness, you interject only after they have responded and you have given me an opportunity to reply.

The Honorable Mr. Larkin. I am not satisfied with Mr. Verrando's letter dated August 4, 2011. Your office is not being straight forward, frank and forthright with me concerning my complaint. I resent that. I see it

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as an insult to my intelligence. If what I am complaining about is unfounded, then for God's sake, let that unfold by normal process of things in an open and transparent manner.

Sir, I need a response personally from you on the issues I wrote you about. You have given countless lofty lectures on Ethics and this now seems to be an exercise in the practical reality of Ethics. When we talk the talk, we must also walk the walk of our talk. I have personally listened to your Ethics lecture and you seem sincere to me. You hold public office, and I expect a detailed response from you and not just the same old conclusions from Mr. Verrando. The types of conclusions Mr. Verrando engaged in if at all necessary must come only after ARDC has followed the proper protocol by allowing those complained about to respond in writing (in detail) to the complaint and allowing me the complainant to reply to their response. Then and only then will you be fully informed to opine one way or the other. Then and only then are you free to decide not to go any further or to still go further with the investigation. That in my view will be a fair approach by the ARDC.

This is what you are also ignoring Sir:

You are ignoring the financial and psychic damage and injury to myself and my client as a result of what we went through. The real message I am getting so far from the ARDC is that I do not count. That my labor, time and expense can be wasted because I am just the "average Joe" lawyer who is unconnected in the Courthouse. We know that if a client complains to the ARDC about the "average Joe" lawyer about money issue, etc., the ARDC has something to aggressively prosecute. But the big time connected lawyers

or violators that can lead the “average Joe” lawyer down that path of violating Ethical rules fly freely uninhibited under the ARDC radar, and are in fact offered protection or “safe haven” by the ARDC. Sir, this duplicity is not acceptable. We are not fools. It is in my humble view, unjust, improper, and parochial for the ARDC to narrow its focus on the “average Joe” lawyer (the retailers), but turn a blind eye to unethical and unfair practices by the big time lawyers (the wholesalers). A blind eye to practices that create an unlevel playing field. Practices that in fact end up causing problems down the road for the “average Joe” lawyers who crosses path with the big time lawyers. What does the ARDC gain by protecting these people from responding to the complaint before you even begin to pass your own opinion?

Mr. Larkin, I respectfully renew my demand that you please get written responses from those I complain about within 14 days, and allow me equal time to reply. Then and only after then will ARDC be fully informed concerning my complaint, and then and only then should ARDC offer any opinion. Fairness, Straight Forwardness, Honesty, Integrity and Transparency in the discharge of public office demands that much. The 14th Amendment to the United States’ Constitution guarantees to every person the right to a fair and impartial hearing which includes the right to a fair and impartial investigation. Mr. Larkin, I expect to hear from you on these matters. If you have any questions, please write me. Thank you very much for your cooperation in this matter.

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Very truly yours

/s/ 'Lanre O. Amu  
Attorney at Law

**ARTICLE**  
***JUDGE SITS ON HOSPITAL BOARD WHILE***  
***HER BROTHER REPRESENTS IT IN COURT***  
**(MARCH 1, 2014)**

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CRAIN'S CHICAGO BUSINESS

MARCH 01, 2014

By Kristen Schorsch and Andrew L. Wang

For at least 15 years, Cook County Circuit Court Judge Lynn Egan has sat on the boards governing a south suburban hospital while it regularly has hired her brother's law firm.

Chicago-based Pretzel & Stouffer has represented Palos Community Hospital in almost half of the 170 cases involving the hospital filed over that period in the law division of the circuit court, according to a Crain's review of court records. From 2011 to 2013, Matthew Egan, a partner in the firm, represented Palos in at least 15 cases before his sister's judicial colleagues, most of them involving medical malpractice or personal injury.

The nonprofit hospital did not disclose the financial relationship with Mr. Egan in forms filed with the IRS between 1999 and 2011, the latest year for which records are publicly available. It did disclose a separate sibling relationship: payments totaling nearly \$56,000 to the sister of its former CEO in 2011.

In a response to questions from Crain's, the hospital says it plans to review its procedures.

“As it pertains to contracted legal services, we believe all of the required board disclosures have been made,” Palos board Chairman Edward Mulcahy says in a statement. “However, as a precaution, we will again review our internal processes.” Mr. Mulcahy says the administration, not board members, hire vendors.

#### SHAKEUP

The independent, 362-bed community hospital in Palos Heights is in the midst of a leadership shakeup. After roughly 30 years under CEO Sister Margaret Wright, who retired in 2013, the board hired Edgardo Tenreiro, chief operating officer at a Baton Rouge, La., hospital system. But with no public explanation, he departed three weeks ago after less than three months on the job.

Greg Paetow, a board member for three years, says he quit for “personal reasons” on Feb. 12, the same day Mr. Tenreiro left. A second person on the 12-member hospital board also resigned in February, as did Thomas Barcelona, chairman of the board of parent company St. George Corp., which solicits donations for the hospital.



Ms. Egan (at right), who also serves on St. George's board and is on the Palos hospital board's executive committee, says she disclosed Mr. Egan's representation of Palos on an annual conflict statement available to the hospital's auditors and tax preparers.

"I believe that I have performed my service as a jurist and volunteer PCH board member in a responsible and ethical manner," she says in a statement. "Any suggestion to the contrary is false."

Ms. Egan did not respond to a request to provide the document. Disclosure statements she filed with the Illinois Supreme Court from 2011 to 2013 do not mention her brother or his law firm.

Mr. Egan says in an email that "no attorney in our firm has ever appeared before Judge Egan in any matter on behalf of Palos Community Hospital." Notions of a potential conflict of interest are "false, indeed reckless," he adds.

Even if Pretzel & Stouffer were the best firm for the job, experts say the lack of transparency raises questions.

"I would think in this case you would want to bend over backwards to disclose the conflict to make sure no one makes assumptions," says David Becher, an associate professor of finance at Drexel University in Philadelphia.

Quote | David Becher, professor, Drexel University

I would think in this case you would want to bend over backwards to disclose the conflict to make sure no one makes assumptions.

During Ms. Egan's tenure on the board, Pretzel & Stouffer has been named only once in the hospital's available tax returns, as one of the five highest-paid vendors in 2002, making about \$163,000. Nonprofits generally must disclose employees who are board members' relatives if they make more than \$10,000 a year, says David Lowenthal, a Chicago-based senior manager at accounting firm Plante & Moran PLLC.

The hospital has disclosed the compensation of board members Thomas Courtney, a lawyer who processes third-party liens for patient bills; Dr. Mark Sinibaldi, the medical director of the psychiatric unit; and Ms. Wright's sister, who also worked at the hospital.

### **Code of Conduct**

Having Ms. Egan and fellow law division Judge Deborah Dooling on the hospital board raises other questions. The Illinois Supreme Court's Code of Judicial Conduct allows judges to serve on charitable boards so long as the service doesn't interfere with their duties.

The code, however, warns that a judge should not serve if the organization is "regularly engaged in adversary proceedings in any court" and singles out hospitals as a potential trouble spot.

Ms. Egan says she "carefully considered whether my service on the board was permissible" and, after consulting the Illinois Judicial Ethics Committee, concluded there was no issue. Ms. Dooling did not return messages.

One past chair of the ethics committee says he would caution judges against serving on a hospital

board because hospitals are frequently named in mal-practice litigation.

"The fact that Dooling and Egan sit in the law division makes it more obvious that they should not be on the board," says Warren Lupel, special counsel at Chicago firm Much Shelist PC. "If (cases are) frequent, it's 'regularly engaged,' and certainly for a hospital, it is frequent."

<http://www.chicagobusiness.com/article/20140301/ISSUE01/303019979/judge-sits-on-hospital-board-while-her-brother-represents-it-in-court>

**ARTICLE:  
JUDGE RESIGNS FROM BOARD OF  
HOSPITAL THAT HIRED HER  
BROTHER'S LAW FIRM  
(APRIL 4, 2014)**

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CRAIN'S CHICAGO BUSINESS

APRIL 04, 2014

By Kristen Schorsch and Andrew L. Wang

Cook County Illinois Supreme Court Palos Community Hospital Hospitals

Cook County Circuit Judge Lynn Egan has resigned from two boards that oversee Palos Community Hospital, following a Crain's report that the south suburban facility regularly hired her brother's law firm.

Hospital officials confirmed today that Ms. Egan recently submitted her resignation. She was not available in her chambers and did not return an email message seeking comment.

Ms. Egan served at least 15 years on either the board governing Palos or its parent, St. George Corp., which solicits donations for the Palos Heights-based hospital. The independent facility did not disclose the financial relationship with Ms. Egan's brother, Matthew Egan, in forms filed with the IRS between 1999 and 2011, the latest year for which records are publicly available. At the same time, Palos did disclose that other board members and the sister of retired Palos CEO Sister Margaret Wright received payments as vendors or employees of the hospital, records show.

Ms. Egan is the sixth person to resign from the boards since Edgardo Tenreiro abruptly departed in February as Palos CEO after less than three months on the job.

In February, Palos board member Greg Paetow, Jim Reilly, who sat on both boards, and St. George board Chairman Tom Barcelona resigned. In March, Carole Ruzich, who was one of nine members on the St. George Corp. board, and Thomas Courtney, one of 12 people on the Palos board, resigned.

According to a Crain's review of court records, Chicago-based Pretzel & Stouffer, where Mr. Egan is a partner, represented Palos in almost half of the 170 cases involving the hospital in the Circuit Court's law division during Ms. Egan's lengthy tenure on the boards. From 2011 to 2013, Mr. Egan represented Palos in at least 15 cases before his sister's judicial colleagues, most of them involving medical malpractice or personal injury.

The Illinois Supreme Court's Code of Judicial Conduct allows judges to serve on charitable boards as long as the service doesn't interfere with their duties. But the code warns that a judge should not serve if the organization is "regularly engaged in adversary proceedings in any court" and singles out hospitals as a potential trouble spot.

Deborah Dooling, a fellow law division judge, remains on the Palos board. She did not return messages seeking comment.

**ARTICLE:**  
**COOK COUNTY JUDGE RESIGNS FROM**  
**PALOS COMMUNITY HOSPITAL BOARDS**  
**(APRIL 7, 2014)**

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**A COOK COUNTY CIRCUIT JUDGE HAS RELINQUISHED  
HER ROLE ON TWO LEADERSHIP ROLES FOR  
PALOS COMMUNITY HOSPITAL**

By Lauren Traut (Patch Staff)

April 7, 2014 at 2:01 am ET

A Cook County Circuit Judge who also sat on boards that oversee Palos Community Hospital has resigned, after revelations that the hospital regularly used her brother's law firm.

Officials confirmed Friday that Judge Lynn Egan had stepped down from her roles on two boards, Crain's Chicago reports.

Egan's involvement with the hospital's leadership spans 15 years, Crain's reports. Her brother, Matthew Egan, is a partner in the Chicago-based law firm Pretzel & Stouffer. According to Crain's, Matthew Egan "represented Palos in at least 15 cases before his sister's judicial colleagues, most of them involving medical malpractice or personal injury."

Egan maintains that she disclosed her brother's representation of Palos in an annual conflict statement available to hospital auditors and tax preparers. Crain's reports that the hospital did not disclose the financial relationship with Matthew Egan in the hospital's tax filings between 1999 and 2011.

Her resignation is the sixth since the abrupt departure of CEO Edgardo Tenreiro in February.

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Other recent resignations include board members Carole Ruzich and Thomas Courtney. Ruzich sat on the board of the hospital's parent company St. George Corp., and Courtney was one of 12 on the hospital's board, Crain's Chicago Business reports. Ruzich also serves as a trustee for the Village of Orland Park.

**ARTICLE:**  
***PALOS HOSPITAL FITCH RATINGS***  
***OUTLOOK SLIPS FROM STABLE***  
***CONDITION AFTER RESIGNATIONS***  
***(APRIL 10, 2014)***

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THE REGIONAL NEWS

10 APR 2014 02:41

WRITTEN BY TIM HADAC

The ongoing exodus of members of the governing board of Palos Community Hospital and its parent, the St. George Corp., has apparently prompted the Fitch credit ratings agency to frown upon the Palos Heights medical institution.

Crain's Chicago Business reported last Tuesday that Fitch has changed its ratings outlook for the hospital from "stable" to "negative" and "warned of a potential downgrade" due to in part due to "instability at the governance and management level."

"The recent resignation of five parent board and hospital board members coupled with the Feb. 12 resignation of the former CEO, Edgardo Tenreiro, raises concern about the stability and direction of the organization as it attempts to improve operating performance and complete its campus project," the Fitch report said.

On the other hand, the Fitch assessment, issued April 1, noted that the hospital has "significant balance-sheet strength" and "robust liquidity" that serves as a buffer against its weaker than anticipated financial performance. Fitch Ratings is one of the "Big Three" credit rating agencies.

The exodus continued late last week, with the resignation of Lynn Egan, a Cook County Circuit Court judge.

Egan had served on both the hospital board and its St. George Corp. counterpart.

She departed in the wake of disclosures by Crain's Chicago Business that the hospital had hired her brother's law firm and that the hospital "did not disclose the financial relationship with Ms. Egan's brother, Matthew Egan, in forms filed with the IRS between 1999 and 2011, the latest year for which records are publicly available. At the same time, Palos did disclose that other board members and the sister of retired Palos CEO Sister Margaret Wright received payments as vendors or employees of the hospital, records show."

Egan has not made any public comment about her resignation.

In response to Egan's departure, hospital officials released a statement to The Regional News earlier this week:

"Over the last 15 years, Lynn Egan volunteered countless hours supporting the mission of PCH. We are immensely grateful for her dedication, hard work and service on behalf of our patients, staff, physicians and community and are saddened to lose a volunteer with her high standards and ethical commitment to the hospital. Among her many contributions, Ms. Egan initiated and championed the hospital's successful efforts in bringing gender, ethnic and religious diversity to the board of directors.

“Palos Community Hospital has reviewed its conflict of interest policy and determined it is consistent with standard industry practices. The board member’s annual disclosure statements were also reviewed and it was determined that Ms. Egan and the other board members filed accurate and complete forms, as required, with any potential conflicts fully disclosed.

“Board members did not have a role in selecting the Pretzel & Stouffer law firm as a vendor to the hospital for legal services. In fact, the firm was retained by the then CEO, Sister Margaret Wright. The required disclosures regarding the relationship between PCH and the law firm Pretzel & Stouffer were made in a timely and transparent way with the assistance of outside experts and all vendor relationships were appropriately described, as required, to the IRS.

“PCH is confident in both the legal work provided by that law firm and the disclosures made by its board members.”

Egan was the sixth board member to call it quits after the abrupt resignation of Tenreiro, who had been hired with great fanfare but left just 90 days into his tenure.

In January, Tenreiro said in a Crain’s Chicago Business interview that the hospital has “been losing about \$1 million to a couple million dollars a month. It is a challenge, no question about it. It’s a combination of our costs being too high and our revenue not being high enough. On the revenue side, we’re going to have

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to work much closer with our physicians to identify ideas for growth. Our labor productivity is not where we want it to be. You want to match your demand for the service with the labor that you have. In order to make that happen, you have to really focus on being lean and Six Sigma (a data-driven approach to measure quality), which are the tools that we're going to be providing. You have to cut costs at the same time."

Others who have recently departed from the boards of the hospital and its parent corporation include Greg Paetow, Jim Reilly, Tom Barcelona, Carole Ruzich, and Thomas Courtney.

Not all the departures are necessarily connected or related to the turmoil at the hospital. Ruzich, in a recent statement to The Regional News, said:

"After serving for the maximum 12 years on the Palos Community Hospital Board of Directors, my term on that board expired in November 2013. I was thereafter asked to serve on the St. George Corporation Board of Directors. I did resign recently from that board, as it became clear to me that the time demands of serving was making it difficult to keep up with the responsibilities of my law practice, my service as a trustee with the Village of Orland Park, and my family.

"My work at my law firm is very deadline driven, while my village service is very time consuming as we are seeking to attract new developments to Orland Park. The role of the St. George Board of Directors is very important to Palos Community Hospital, and one to which I did not feel I could devote the

appropriate amount of time. Out of fairness to my family and my constituents, I simply decided I needed to give something up."

The ongoing saga appears to have caused considerable concern among the 2,820 employees at the 362-bed hospital, the largest employer in Palos Heights.

"There's a lot of worry among people at all levels, as you might imagine," a nurse said this week, who spoke on condition of confidentiality. "We hear what the hospital has said, but of course there are all kinds of rumors flying up and down the hallways and bouncing off the walls. Most of them probably aren't true, but who knows where the truth lies or what the future holds? This is a stressful time to work here, that much I can say."