UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

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IN RE:

RUSSELL JAMES STEWART,

No. 21 MP 90001

Respondent.

Judge Goldgar

ORDER ON CONSENT SUSPENDING RUSSELL JAMES STEWART INDEFINITELY FROM PRACTICE BEFORE THE BANKRUPTCY COURT

This court having determined that formal disciplinary proceedings should be commenced against attorney Russell James Stewart and having filed a Statement of Charges, and the undersigned having received a Stipulation of Facts and Declaration of Consent executed by Russell James Stewart under Local Rules 9029-4B(D)(1) and (2), IT IS HEREBY ORDERED:

Effective immediately, Russell James Stewart is suspended indefinitely from the practice of law before this court. Stewart may not resume practice until he petitions successfully for reinstatement under Local Rule 9029-4B(E), and he may not petition for reinstatement until five years from the date of this order.

Dated: May 10, 2022

A. Benjamin Goldgar Chief United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

IN RE:

CASE NO. 21-MP-90001 (DISCIPLINARY PROCEEDING)

RUSSELL JAMES STEWART,

HON. A. BENJAMIN GOLDGAR

RESPONDENT.

STIPULATION OF FACTS AND DECLARATION OF CONSENT OF RUSSELL JAMES STEWART

I, Russell James Stewart, have read and reviewed this *Stipulation of Facts and Declaration of Consent* as contemplated by Local Rule 9029-4B(D)(1). I further understand the consequences of executing it, knowingly and voluntarily, and under no coercion or duress, submit this document in support of my indefinite suspension from the practice of law before the U.S. Bankruptcy Court for the Northern District of Illinois.

I acknowledge and admit all the contents of all the following paragraphs:

1. The U.S. Bankruptcy Court for the Northern District of Illinois (the *"Bankruptcy Court"*) initiated this Disciplinary Proceeding against me on or about May 20, 2021. Pursuant to Bankruptcy Court Local Rules the U.S. Trustee was appointed to prosecute this case against me and has accepted that appointment.

I. Facts Leading to this Proceeding.

2. I am a lawyer currently in good standing and licensed to practice law in the State of Illinois. I received my law license in 1979. The Illinois Supreme Court

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suspended me from practice for six months beginning December 8, 2015 and ending June 8, 2016. I was suspended after the court found that I falsely notarized documents, made false statements in court, and elicited false testimony at a hearing. After my suspension ended on June 8, 2016, I was again authorized to practice in the State of Illinois and have been authorized since.

3. Under the Local Rules of the District Court for the Northern District of Illinois (the "*District Court*"), reciprocal discipline was imposed resulting in my suspension from practice before the District Court starting on December 8, 2015. My suspension by the District Court also resulted in me no longer being authorized to practice before the Bankruptcy Court under its Local Rules.

4. I now understand that pursuant to District Court Local Rule 83.30(a): "An attorney suspended for more than 3 months or disbarred may not resume practice until reinstated by order of the Executive Committee." I failed to consult this rule before resuming my practice in the Northern District of Illinois after my state suspension was lifted. In 2020 I petitioned the Executive Committee to lift my suspension, however, they have not acted on that petition. Therefore, I have been continuously suspended from practice before both the District Court and the Bankruptcy Court since December 8, 2015.

5. Since 2017 I have been mostly retired from the practice of law. In March 2022, I requested that the Attorney Registration and Disciplinary Committee change my status from Active to Retired and that change has been made. I am now permanently retired from the practice of law.

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II. <u>The Adversary and Disciplinary Proceedings.</u>

6. On April 17, 2020, the U.S. Trustee filed a six-count complaint in Schroeder's 2019 bankruptcy case against Migasi and me thereby initiating the case Layng v. Stewart, et al., (20-ap-150).

7. In that case, the U.S. Trustee sought an order: (1) enjoining me from practicing in the Bankruptcy Court until reinstated by the District Court; (2) requiring me to disgorge all fees received in any bankruptcy case where he received fees since 2015; and (3) imposing civil penalties against me. The complaint also sought similar relief as to non-attorney Migasi in counts III, IV, and V

8. The Bankruptcy Court in that case held Migasi and me in default and entered a default judgment against us. Both Migasi and I appealed the judgment, but the District Court dismissed the appeal for lack of jurisdiction.

9. On May 20, 2021, this Court initiated disciplinary proceedings against me by filing a Statement of Charges pursuant to Local Rule 9029-4B(B)(4). The U.S. Trustee was appointed to prosecute this case and accepted that appointment.

10.I have answered the Statement of Charges.

III. <u>Violations of the Rules of Professional Conduct.</u>

11.I acknowledge that my conduct violated the following ABA Model Rules of Professional Conduct and the corresponding Illinois Supreme Court Rules of Professional Conduct: Rule 5.3(a), (b), and (c); Rule 5.5(a) and (b); and Rule 8.4(a).

Dated: April 20, 2022

Russell James Stewart ARDC #: <u>3125218</u>