

Proposal 09-07

Amends Supreme Court Rule 716

Offered by the Supreme Court Committee on Professional Responsibility

Rule 716. Limited Admission Of House Counsel

A person who, as determined by the Board of Admissions to the Bar, has been licensed to practice in the highest court of law in any United States state, territory, or the District of Columbia may receive a limited license to practice law in this state when the lawyer is employed in Illinois as house counsel exclusively for a single corporation, partnership, association or other legal entity (as well as any parent, subsidiary or affiliate thereof), the lawful business of which consists of activities other than the practice of law or the provision of legal services upon the following conditions:

- (a) The applicant meets the educational requirements of Rule 703;
- (b) The applicant meets Illinois character and fitness requirements and has been certified by the Committee on Character and Fitness;
- (c) The applicant has passed the Multistate Professional Responsibility Exam in Illinois or in any jurisdiction in which it was administered;
- (d) The applicant is in good disciplinary standing before the highest court of every jurisdiction in which ever admitted and is at the time of application on active status in at least one such jurisdiction;
- (e) The applicant has paid the fee for limited admission of house counsel under Rule 706.
- (f) **Application Requirements.** To apply for the limited license, the applicant must file with the Board of Admissions to the Bar the following:
 - (1) A completed application for the limited license in the form prescribed by the Board;
 - (2) A duly authorized and executed certification by applicant's employer that:
 - (A) The employer is not engaged in the practice of law or the rendering of legal services, whether for a fee or otherwise;
 - (B) The employer is duly qualified to do business under the laws of its organization and the laws of Illinois;
 - (C) The applicant works exclusively as an employee of said employer for the purpose of providing legal services to the employer at the date of his or her application for licensure; and
 - (D) The employer will promptly notify the Clerk of the Supreme Court of the termination of the applicant's employment.

- (3) Such other affidavits, proofs and documents as may be prescribed by the Board.
- (g) Authority and Limitations.** A lawyer licensed and employed as provided by this Rule has the authority to act on behalf of his or her employer for all purposes as if licensed in Illinois. The lawyer may not act as counsel for the employer until the application is accepted and approved by the Court. A lawyer licensed under this rule shall not offer legal services or advice to the public or in any manner hold himself or herself out to be engaged or authorized to engage in the practice of law, except such lawyer may provide voluntary pro bono public services as provided in Rule 756(j).
- (h) Duration and Termination of License.** The license and authorization to perform legal services under this rule shall terminate upon the earliest of the following events:
- (1) The lawyer is admitted to the general practice of law under any other rule of this Court.
 - (2) The lawyer ceases to be employed as house counsel for the employer listed on his or her initial application for licensure under this rule; provided, however, that if such lawyer, within 120 days of ceasing to be so employed, becomes employed by another employer and such employment meets all requirements of this Rule, his or her license shall remain in effect, if within said 120-day period there is filed with the Clerk of the Supreme Court: (A) written notification by the lawyer stating the date on which the prior employment terminated, identification of the new employer and the date on which the new employment commenced; (B) certification by the former employer that the termination of the employment was not based upon the lawyers character and fitness or failure to comply with this rule; and (C) the certification specified in subparagraph (f)(2) of this rule duly executed by the new employer. If the employment of the lawyer shall cease with no subsequent employment within 120 days thereafter, the lawyer shall promptly notify the Clerk of the Supreme Court in writing of the date of termination of the employment, and shall not be authorized to represent any single corporation, partnership, association or other legal entity (or any parent, subsidiary or affiliate thereof).
 - (3) The lawyer is suspended or disbarred from practice in any jurisdiction or any court or agency before which the lawyer is admitted.
 - (4) The lawyer fails to maintain active status in at least one jurisdiction.
- (i) Annual Registration and MCLE.** Beginning with the year in which a limited license to practice law under this rule is granted and continuing for each subsequent year in which house counsel continues to practice law in Illinois under the limited license, house counsel must register with the Attorney Registration and Disciplinary Commission and pay the fee for active lawyers set forth in Rule 756 and fully comply with all MCLE requirements for active lawyers set forth in Rule 790 et seq.
- (j) Discipline.** A lawyer licensed under this rule shall be subject to the jurisdiction of the Court for disciplinary purposes to the same extent as all other lawyers licensed to practice law in this state.

- (k) Credit Toward Admission on Motion.** The period of time a lawyer practices law while licensed under this rule may be counted toward eligibility for admission on motion, provided all other requirements of Rule 705 are met.
- (l) Newly Employed House Counsel.** A lawyer who is newly employed as house counsel in Illinois shall not be deemed to have engaged in the unauthorized practice of law in Illinois prior to licensure under this rule if application for the license is made within 90 days of the commencement of such employment.