In re John Joseph Pappas
Attorney-Respondent

Commission No. 2022PR00080

Synopsis of Hearing Board Report and Recommendation
(December 2025)

The Administrator filed a two-count complaint against Respondent, charging him with dishonestly misappropriating at least $294,550.87 of funds belonging to his client and failing to return those funds after being asked to do so; and, in a separate matter, using means that had no substantial purpose other than to embarrass, delay, or burden a third person, based upon his interactions with his opposing counsel. The Hearing Board found that the Administrator proved that Respondent engaged in the charged misconduct and recommended that Respondent be disbarred.

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

In the Matter of:

JOHN JOSEPH PAPPAS,

Attorney-Respondent,

No. 2141493.

Commission No. 2022PR00080

REPORT AND RECOMMENDATION OF THE HEARING BOARD

SUMMARY OF THE REPORT

The Administrator charged Respondent in a two-count complaint with dishonestly misappropriating and failing to return over $294,000 in client or third-party funds, in violation of Rules 1.15(a), 1.15(d), and 8.4(c); and, in an unrelated matter, using means that have no substantial purpose other than to embarrass, delay, or burden a third person in connection with Respondent's interactions with his opposing counsel, in violation of Rule 4.4. The Hearing Board found that the Administrator proved that Respondent engaged in the charged misconduct and recommended that Respondent be disbarred.

INTRODUCTION

The hearing in this matter was held at the Chicago offices of the ARDC on June 16 and June 17, 2025, before a panel of the Hearing Board consisting of Nicole C. Mueller, Chair, Geetu R. Naik, and Michael J. Friduss. Scott Renfroe and Richard C. Gleason II represented the Administrator. Respondent participated via videoconference and was represented by Adrian M. Vuckovich, who appeared in person on Respondent's behalf.

PLEADINGS AND MISCONDUCT ALLEGED

On September 30, 2022, the Administrator filed a two-count complaint against Respondent. Count I alleged that Respondent used for his own purposes and without authority at least $294,550.87 of funds belonging to his client, that he failed to return those funds to his client after being asked to do so, and that his conduct was dishonest because he knew he was not authorized to take and use his client's funds, in violation of Illinois Rules of Professional Conduct 1.15(a), 1.15(d), and 8.4(c), respectively. Count II alleged that, in a separate matter, Respondent used means that had no substantial purpose other than to embarrass, delay, or burden a third person by reciting his opposing counsel's home address to her at a case management conference, sending her overly familiar and inappropriate email messages, and using abusive language to her during a deposition, in violation of Illinois Rule of Professional Conduct 4.4(a).

In his Answer, Respondent admitted some of the factual allegations, denied others, and denied the charges of misconduct.

EVIDENCE

The Administrator's Exhibits 1 through 8, 10 through 14, 16 (pages 3 and 4 only), 17 (page 3 only), 19, 20, 21, 25, 26, and 27 were admitted into evidence. (Tr. 7-8, 209, 216, 259.) At hearing, the Administrator presented testimony from several witnesses as well as Respondent as an adverse witness. Respondent's Exhibits 1, 3, 4, 5, 9, 10, 12, 15, 16, 17, 19, 20, 23, 24, 25, 26, 28 through 33, 37, 38, 40, and 48 were admitted into evidence. (Tr. 420.) Respondent testified on his own behalf and presented the testimony of two character witnesses.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

In attorney disciplinary proceedings, the Administrator has the burden of proving the charges of misconduct by clear and convincing evidence. In re Winthrop, 219 Ill. 2d 526, 542, 848 N.E.2d 961 (2006). Clear and convincing evidence requires a high level of certainty, which is

greater than a preponderance of the evidence but less stringent than proof beyond a reasonable doubt. In re Santilli, 2012PR00029, M.R. 26572 (May 16, 2014) (Hearing Bd. at 3) (citing People v. Williams, 143 Ill. 2d 477, 484-85, 577 N.E.2d 762 (1991)). In determining whether the Administrator has met that burden, the Hearing Board assesses witness credibility, resolves conflicting testimony, and makes factual findings. In re Edmonds, 2014 IL 117696, ¶ 35; Winthrop, 219 Ill. 2d at 542-43.

I. The Administrator charged Respondent in Count I with dishonestly misappropriating at least $294,550.87 from his client, and failing to promptly return those funds to his client when asked to do so.

A. Summary

Respondent misappropriated at least $294,550.87 from his client, Plain Bay Sales LLC. His taking of the funds was dishonest because he knew the funds in the account did not belong to him and that he was not authorized to take and use them. He also failed to promptly return those funds to his client when asked to do so.

B. Admitted Facts and Evidence Considered

Respondent was licensed to practice law in Illinois in October 1970. (Ans. at 1; Tr. 97.) After he graduated from law school, he worked at the predecessor firm to Hinshaw & Culbertson for nine years. In September 1979, he and seven other attorneys left Hinshaw and formed the firm Cassiday Schade & Gloor. At both firms, he did primarily product liability defense work and some insurance defense work. In April 1985, Respondent formed the firm Pappas, Power & Marcus, where he became primarily a plaintiff's attorney. During the time of the alleged misconduct, he was a partner in The Pappas Law Group LLC. In his 55 years of practice, he has been mainly a trial attorney. (Tr. 97-98, 279-83.)[1]

Victorio 5 Dispute

Respondent met Katie Prudent in 2010 or 2011 through mutual friends. (Tr. 69, 99.) Ms. Prudent, who lives in Virginia most of the time and France and Florida some of the time, is a horse trainer. She also is an advisor to a company named Plain Bay Sales LLC, which is owned primarily by her son, Adam Prudent. Her husband, Henri Prudent, also has an ownership interest in Plain Bay Sales. (Tr. 33-34, 57-58.)

In or around 2016, Ms. Prudent and her husband, along with some partners, purchased a horse named Victorio 5 for $400,000. Victorio 5 was a jumping horse. Ms. Prudent and her husband found and made the decision to buy Victorio 5, but two other individuals paid for the horse. (Tr. 34, 45, 47.)

In March 2018, Plain Bay Sales sold Victorio 5 for $950,000 to William Gallaher for his daughter Zume Gallaher (collectively, "Gallahers").[2] The Gallahers wired $950,000 to Plain Bay Sales in payment for Victorio 5, and Plain Bay Sales made arrangements to ship Victorio 5 to California, where the Gallahers lived. A few days later, however, the Gallahers' horse trainer called Ms. Prudent and told her that somebody had told him that Victorio 5 was a "stopper," meaning it stopped at fences instead of jumping over them. Ms. Prudent disagreed. She offered to resell the horse for the Gallahers, or train a new trainer about the horse. She testified that she "did everything in [her] power to try to make it not a bad deal for anyone." Nonetheless, before Plain Bay Sales was able to deliver the horse to the Gallahers, the Gallahers sought to rescind the transaction and be refunded the $950,000 that they had paid for Victorio 5. (Tr. 34-35, 47, 59-60, 101-102; Resp. Exs. 17, 26.)

Ms. Prudent's partners on the deal did not want to give the money back, and neither did she, because the Gallahers' refusal to take the horse "was based on lies someone had told them." (Tr. 60.) Consequently, in March 2018, Ms. Prudent contacted Respondent and asked him to

represent Plain Bay Sales in the Victorio 5 dispute. Respondent agreed. Respondent and Plain Bay Sales did not enter into a written representation agreement, but Respondent agreed to charge $400 per hour for his legal services. Because the lawsuit would be filed in Florida, Ms. Prudent also hired a Florida-licensed attorney, Avery Chapman, and another attorney to work as co-counsel with Respondent. (Ans. at par. 2; Tr. 35, 38, 45, 78, 101-102.)

In early April 2018, Respondent sent a letter to the Gallahers' attorney and informed him that Plain Bay Sales declined to cancel the sale of Victorio 5 or return any portion of the proceeds from the sale. (Ans. at par. 3.) On May 3, 2018, Chapman filed a complaint on behalf of Plain Bay Sales against the Gallahers and their horse trainer in federal court in Florida. (Ans. at par. 4; Tr. 103.)

Ms. Prudent testified that she wanted to safeguard the $950,000 in proceeds from Victorio 5's sale because getting into a lawsuit made her nervous, and she thought that, if she eventually had to give the money back, she needed to have it in a safe place. She, Respondent, and Chapman spoke about putting it into an escrow account. She had never done that and did not know how to do it. Respondent said he would put it in an escrow account, keep it safe, and handle it for her. (Tr. 38-39.)

On May 9, 2018, Respondent opened a Belmont Bank & Trust account ending in 3180. The account was an interest-earning business money market account that was entitled "Pappas Law Group LLC FBO Plain Bay Sales LLC" ("FBO account"). "FBO" means "for the benefit of," and the FBO account's purpose was to maintain the Victorio 5 sale proceeds or distribute those funds as directed by Ms. Prudent or Adam Prudent. Respondent informed Ms. Prudent that he had opened the account, and, on May 14, 2018, Plain Bay Sales wire-transferred $950,000 into the account. (Ans. at par. 6; Tr. 103.; Adm. Ex. 4 at 30;)[3]

A few months after Plain Bay Sales initiated the lawsuit against the Gallahers, Plain Bay Sales sold Victorio 5 to another buyer for $500,000. The Prudents considered the Gallahers the owners of Victorio 5, so, once the horse was sold to another buyer, Ms. Prudent subtracted the expenses she had incurred by taking care of Victorio 5 and sent the remainder of the proceeds to the Gallahers. (Tr. 85, 90-93; see also Resp. Ex. 23.)

In December 2018, the Gallahers filed a counterclaim against Plain Bay Sales, alleging, among other things, fraud in connection with Victorio 5's quality as a jumping horse. (See generally, Resp. Ex. 9.)

Respondent's Invoices for and Plain Bay Sales' Payments of Respondent's Legal Fees

Ms. Prudent testified that this was the first lawsuit she had been involved in and she had never dealt with lawyers before. Her process for dealing with vendor invoices in general is that, if she gets a bill from a vendor or service provider and is familiar with the product or service, she reviews the bill then tells her secretary to pay it. Ms. Prudent does not write out checks or handle wires; her secretary does that. With her lawyers, she was "out of her element" and "didn't know what to expect" and "didn't know what was correct." She "just had confidence in [her] lawyers that they were doing a good job" and directed her secretary, Barb Gillis, to pay their bills. Gillis handled payment of all of the lawyers' invoices, including Respondent's. (Tr. 37-38, 76-77, 86.)

Respondent confirmed that he did not have direct dealings with Ms. Prudent regarding his invoices. He testified that all of his dealings were with Gillis, that he sent all of his invoices to Gillis, and that Ms. Prudent never discussed those invoices with him. Payment of those invoices was made either by wire or a check signed by Gillis. (Tr. 108, 332.)

The dates of Respondent's invoices, amounts billed, and corresponding payments are as follows:

Invoice 1, dated June 29, 2018 for services rendered in June 2018, was for $7,500 and was paid in full on July 2, 2018. (Tr. 108-11; Adm. Ex. 3 at 1; Adm. Ex. 6 at 38, 40.)

Invoice 2, dated August 13, 2018 for services rendered in July 2018, was for $14,920 and was paid in full on August 21, 2018. (Tr. 111-13; Adm. Ex. 3 at 2; Adm. Ex. 6 at 44, 46.)

Invoice 3, dated September 12, 2018 for services rendered in August 2018, was for $6,720 and was paid in full on October 1, 2018. (Tr. 113-15; Adm. Ex. 3 at 3; Adm. Ex. 6 at 58, 245, 246.)

Invoice 4, dated November 2, 2018 for services rendered from September 1 through November 2, 2018, was for $13,800 and was paid in full on November 13, 2018. (Tr. 115-17; Adm. Ex. 3 at 4; Adm. Ex. 6 at 66, 68.)

Invoice 5, dated December 20, 2018 for services rendered from November 3 through December 20, 2018, was for $14,120 and was paid in full on January 7, 2019. (Tr. 117-19; Adm. Ex. 3 at 5; Adm. Ex. 6 at 80, 82.)

Invoice 6, dated February 28, 2019 for services rendered from December 21, 2018 through February 28, 2019, was for $17,280 and was paid in full on March 5, 2019. (Tr. 119-21; Adm. Ex. 3 at 6; Adm. Ex. 6 at 96, 98.)

Invoice 7, dated June 10, 2019 for services rendered from March 1 through June 10, 2019, was for $27,120 and was paid in full on June 20, 2019. (Tr. 121-22; Adm. Ex. 3 at 7; Adm. Ex. 5 at 3; Adm. Ex. 6 at 331, 332.)

Invoice 8, dated July 3, 2019 for services rendered from June 11 through July 2, 2019, was for $19,280 and was paid in partial payments as follows: $5,000 on July 22, 2019; $5,000 on August 12, 2019; $5,000 on August 23, 2019; and $4,280 on September 10, 2019. (Tr. 122-26; Adm. Ex. 3 at 8; Adm. Ex. 5 at 15, 27, 39; Adm. Ex. 6 at 341, 342, 351, 352, 357, 358, 366, 367.)

Invoice 9, dated October 2, 2019 for services rendered from July 3 through August 2, 2019, was for $21,360 and was paid in partial payments as follows: $5,000 on October 17, 2019; $5,000 on November 13, 2019; and $11,360 on December 10, 2019. (Tr. 126-29; Adm. Ex. 3 at 9; Adm. Ex. 5 at 59, 65, 77; Adm. Ex. 6 at 3, 4, 394, 395, 408, 409.)

Respondent testified that Invoices 1 through 7 were timely paid in full, and that Invoices 8 and 9 were eventually paid in full but were not timely paid. (Tr. 111, 113, 115, 117, 119, 121, 122, 126, 129.)

> Invoice 10 is dated February 4, 2020 and states that it is for services rendered from August 2, 2019 through February 4, 2020, with fees of $27,520. (Adm. Ex. 3 at 10.) Respondent testified that he sent all invoices, including Invoice 10, to Gillis via email, but he does not have a copy of the email where he purportedly sent Invoice 10 to Gillis. He testified that the client did not pay Invoice 10. (Tr. 129-31.)

In addition, during the ARDC's investigation of his conduct, Respondent produced to the ARDC an affidavit from his office manager and personal assistant, Karen Holmes. Holmes has been with Respondent for 39 years; she was his secretary for many years and assumed the role of office manager in 2007. Respondent asked Holmes to prepare the affidavit in response to the ARDC's investigation. In the affidavit, Holmes asserted that she prepared all of the invoices for services rendered and costs advanced for the Plain Bay Sales case, and that Invoice 10 was never paid by the client. (Tr. 132-33; Adm. Ex. 2 at 2, ¶¶ 8, 9.)

Withdrawals from the FBO Account

Respondent testified that, on March 29, 2018, he received an email from one of Ms. Prudent's secretaries attaching Victorio 5's show record. He testified that it was not an impressive show record because, out of 85 rounds, Victorio 5 only had 32 rounds with no faults, withdrawals, or eliminations. (Tr. 322-23; see also Resp. Ex. 29.) He also knew that one of the investors in Victorio 5 was not disclosed in the bill of sale between Plain Bay Sales and the Gallahers. He thus had a concern about a fraud claim by the Gallahers against Plain Bay Sales. He also was concerned that he was not being timely paid. He testified that his first few bills were timely paid, but after that, there would be a delay and he would get only a partial payment. He testified that his tenth bill was never paid. (Tr. 323-26.)

He testified that his concerns caused him to initiate a phone discussion with Ms. Prudent about fees in mid-August 2018. In that conversation, he brought up the billing situation and what he believed were fraudulent documents that were produced during discovery. He told Ms. Prudent that the case had become much more complicated, that he was spending all of his time on the case to the exclusion of his other cases, and that he was not getting paid properly. He asked for permission to withdraw money from the FBO account from time to time, to pay his legal fees. He said he was asking as a friend and as a favor, and she said yes. (Tr. 325-27.)

However, in his May 24, 2021 letter responding to the ARDC's investigation, Respondent stated that the conversation with Ms. Prudent in which she authorized him to pay himself from the FBO account occurred after February 4, 2020, writing:

> In any event I had reached an agreement to represent Katie Prudent and her company Plain Bay Sales for $400.00 an hour. Eventually she stopped paying promptly. For example on July 3, 2019 I sent her a bill for $19,280.00. On July 15 she sent me a partial payment of $5000. She never paid the balance of this bill.
>
> Another example is, she never paid my bill dated February 4, 2020 in the amount of $27,520.00. I then contacted her and told her I was spending far to [*sic*] much time without getting paid in full promptly. We entered into an oral agreement that I could draw down on the escrow account that I was holding to pay my firm for the literally thousand's [*sic*] of hours that I was spending on the case reviewing all documents exchanged between co-counsel, Avery Chapman, and the defense attorney.

(Adm. Ex. 20 at 1.) At his hearing, Respondent testified that the statement in his letter was "inaccurate" and "not well drafted because that oral agreement happened in August of 2018." (Tr. 136-37.)

In her affidavit, Holmes asserted that one of her duties "is to make and keep logs of receipts of money and disbursements of client funds in the cases handled by" Respondent's law firm, including a log for the FBO account, and that she made the FBO account log contemporaneously

with each transaction. (Adm. Ex. 2 at 1-2, ¶¶ 4-7.) In the first three entries, Holmes' log for the FBO account shows the following receipts and disbursements:

- May 14, 2018 - FBO Plain Bay Sales LLC account opened at Belmont Trust and Savings Bank with $950,000 wire transfer into account
- August 10 and August 13, 2018 – outgoing wire transfer of $454,452.64 to Rice Show Stables, plus $30 wire fee
- January 16, 2019[4] - outgoing wire transfer of $100,000 to Katie Monahan, Inc, plus $30 wire fee
- May 15, 2019 – outgoing wire transfer of $100,000 to Adam Prudent

(Adm. Ex. 2 at 3.)

Following those four entries, the log continues listing the following disbursements, each of which is preceded by "Per JJP," which are Respondent's initials and which he confirmed is a reference to him. (Tr. 109.) "TPLG" is an abbreviation of The Pappas Law Group, LLC, and "TPLG General Acct" refers to Respondent's firm's operating account. (Tr. 110.)

- January 17, 2019 – wrote check #997 in amount of $60,000 to TPLG for attorney's fees
- March 25, 2019 – wrote check #996 in amount of $15,000 to TPLG for attorney's fees
- June 4, 2019 – transferred $42,500[5]
- July 16, 2019 – transferred $19,280

(Adm. Ex. 2 at 3.)

Directly below the entry for the $19,280 transfer on July 16, 2019, the log notes the following:

Per JJP

*7-16-2019 - transferred amount owed TPLG for Invoice No. 8 from FBO acct. - $19,280.00

Rec'd check dated 7-15-2019 in amount of $5,000.00 and deposited it in general

Rec'd check dated 8-12-2019 in amount of $5,000.00 and deposited it in general

Rec'd check $5,000.000 and deposited in general on 8-23-2019

Rec'd check dated 9-10-2019 in amount of $4,280.00 and deposited it in general

Invoice No. 8 – paid in full

(Adm. Ex. 2 at 3-4 (asterisk and bolding in original).)

After a similar entry for Invoice 9, showing that it was paid in three separate payments between October 8 and November 30, 2019, the log continues with a list of the remaining transfers out of the FBO account and into Respondent's firm account, all of which were "Per JJP," as follows:

- August 6, 2019 –$25,000
- September 11, 2019 –$25,000
- October 10, 2019 –$10,000
- February 3, 2020 –$33,890
- February 13, 2020 –$12,000
- March 5, 2020 –$12,000
- March 25, 2020 –$10,000[6]
- April 9, 2020 –$7,000
- April 13, 2020 –$10,000
- April 24, 2020 –$3,000
- May 21, 2020 –$7,500
- June 4, 2020 –$4,500

(Adm. Ex. 2 at 4.)[7]

Respondent testified that, other than the transfers to Rice Show Stables, Ms. Prudent, and Adam Prudent, the remainder of the transfers listed in Holmes' affidavit were to his operating account and were in payment of his legal fees. (Tr. 135-36, 343.) He testified that the work he

performed in exchange for the payments from the FBO was focused on defense of the December 2018 counterclaim, and specifically the fraud claims. That work included reviewing Victorio 5's medical records and the documents listed on the defendants/counterclaimants' exhibit list. (Tr. 344-354.) He also read 1,400 pages of depositions; however, he did not bill Plain Bay Sales for that. (Tr. 358.)

Respondent acknowledged that, on July 16, 2019, thirteen days after he issued Invoice 8 and one day after Ms. Prudent sent a partial payment of $5,000, he transferred $19,280 – the entirety of the amount listed as due on Invoice 8 – from the FBO account to his operating account. He also acknowledged that Ms. Prudent subsequently sent him additional checks that, combined with the first check, totaled $19,280. He testified that, after Ms. Prudent paid Invoice 8 in full, he "subtracted that amount from the time [he] had in [his] notes and [his] FBO account." (Tr. 145-48.)

Respondent also acknowledged that Invoice 9, dated October 2, 2019, contained no indication that Plain Bay Sales double-paid for Invoice 8, in that he paid himself $19,280 from the FBO account while Plain Bay Sales also paid him $19,280. He stated: "No, I didn't put it on the invoice. That was sent prior. What I would do is explain, if … she caught up on these old bills, I would give a credit from the time I had on my log after reaching the agreement with her in August of 2018 that I could draw on the FBO account. So there was never any double dipping." (Tr. 148-49.)

Similarly, he testified that the $10,000 that he transferred from the FBO account to his operating account on October 10, 2019 was in partial payment of Invoice 9. However, he also acknowledged that he issued Invoice 9 on October 2, received partial payment from Plain Bay Sales on October 8, and received additional checks on November 6 and November 30, which paid

Invoice 9 in full. He testified that, once Invoice 9 was paid in full, he "reduced the time that [he] had logged in [his notes] on the FBO account." (Tr. 149-51.)

Respondent testified that the payments from the FBO account were separate from the work he was invoicing for. He stated:

> I kept track of my time on a go-forward basis and I think I made my first withdrawal [from the FBO account] in January of 2019. I also kept track of the bills that Gillis had not completely paid me and so I kept track of my hours in writing on a legal pad and when Gillis would completely pay an outstanding bill, or one of the ten, I would lower my time and reduce what I took [from the FBO account] to give them a credit for finally being paid.

(Tr. 327-28.)

Respondent testified that he had two different billing processes because "that's the way it was set up with Ms. Prudent. She told him to "just take the money," and he told her, "[W]ell, if you ever want an accounting or bank statement let me know." She told him that was not necessary. He did not include billing entries on the invoices for the work for which he paid himself from the FBO account because Ms. Prudent did not want Chapman to know that Respondent was taking money out of the FBO account or how much he was charging. He testified that all of the payments that came from the FBO account were for his legal fees; that Ms. Prudent authorized him to be paid in that way; and that Ms. Prudent did not want to be sent bills for this additional work. (Tr. 328-30.)

Respondent testified that Ms. Prudent did not want to be bothered about the payment of legal fees and left it all up to Gillis. He further testified that he had communications with Gillis about the transfers from the FBO account. After he sent Invoice 10 in February 2020, he got hold of Gillis and told her that from that point on, he would not be sending bills to her; he would just be taking money from the FBO account periodically for his fees. His purpose in communicating with Gillis about being paid from the FBO account was because he and Gillis "had established this

relationship where [he] would send the invoices, and [he] thought, since she was ... the one that decided" how much and when he got paid, he would "verify with her." (Tr. 333-34, 338-39.)

Respondent testified that when he spoke with Gillis about the transfers, "[s]he said, okay, fine." He told her that, when she paid bills that she had partially paid or not paid, he would reduce the time that he was keeping track of for payment from the FBO account. He had no further discussions with Gillis about transfers in the FBO account after that conversation, which occurred about a week after he sent the last invoice on February 4, 2020. He testified that he relied on his conversation with Gillis in making transfers from the FBO account. (Tr. 339, 342.)

After Respondent's last transfer of $4,500 from the FBO account to his operating account on June 4, 2020, the ending balance in the FBO account was $936.49. (Adm. Ex. 4 at 13-14.) Respondent testified that he believes he is entitled to those remaining funds because he continued working on the case but never invoiced Plain Bay Sales for legal fees or "took a dime out of the FBO account." He testified that he also never attempted to refund those remaining funds to Ms. Prudent because he did not owe her money; she owed him money. (Tr. 154, 170-71.)

Respondent testified that for the invoices that were not timely paid, when they eventually got paid in full, he subtracted them from the hours he had put in and just billed the remainder. He kept track of that with notes, but he did not produce the notes and those notes no longer exist. He destroyed his notes with respect to timekeeping for this case sometime around or after January 2021, when he was terminated by Chapman. At that point, or some point thereafter, he "got rid of a lot of [his] papers in this case." (Tr. 140, 142-44.)

Respondent did, however, retain medical records and court filings from the Plain Bay Sales matter "for quite a while." But after he was terminated in January 2021, he "started cleaning house." He testified that "there were records" of the work he had done to earn the fees for which he paid himself from the FBO account, but "they don't exist anymore." (Tr. 404.) Other than his

notes regarding how he spent his time, he does not know of any other documents related to the Plain Bay Sales matter that he destroyed after he ceased working on the matter in January 2021. (Tr. 410.)

Respondent testified that he continued to work on the Plain Bay Sales matter after Invoice 10 was sent in February 2020. He withdrew from the case on January 11, 2021. He worked over 700 hours on the Plain Bay Sales matter from February 2020 to January 2021 but has no records of those hours. He testified that his work included reviewing medical records, investigating the health of Victorio 5, and reviewing documents on defendants' exhibit list. (Tr. 405-407.)

Respondent testified that, after he was terminated on January 11, 2021, he received one or two letters from Ms. Prudent or Chapman regarding the funds in the FBO account, asking him to return the funds. He never responded to those letters. (Tr. 171-72.)

Ms. Prudent, in turn, testified that she never gave Respondent authority to take money out of the FBO account. She authorized only the first three withdrawals from the FBO account, to Rice Show Stables, Adam, and herself. With respect to those three withdrawals, she recalls having phone conversations with Respondent and authorizing him to make those three payments from the FBO account. She testified that Gillis was not authorized to make payments from the FBO account. Only Respondent could transfer money from that account, and only at Ms. Prudent's direction. (Tr. 73-75, 86-89.)

Ms. Prudent testified that she had many phone conversations with Respondent from 2018 through 2019. During those conversations, Respondent never told her that she owed him money or had not paid any of his invoices, and she never told Respondent that he could draw down the escrow account to pay his fees. She stated:

> I know beyond a shadow of a doubt that I never gave John Pappas authority to take money out of the escrow account. And why would I? Every bill he sent to me, I

paid. I paid all of his bills. I never owed him a penny. Why would he take money out of the escrow account?

(Tr. 41-42, 92-94.)

Ms. Prudent confirmed that Respondent never refunded any money from the FBO account. (Tr. 42.)

C. Analysis and Conclusions

Rule 1.15(a)

A lawyer shall hold property of clients or third persons that is in a lawyer's possession in connection with a representation separate from the lawyer's own property. Ill. R. Prof'l Cond. 1.15(a). Rule 1.15(a) obligates attorneys holding client or third-party funds to safeguard those funds. In re Woods, 2014PR00181, M.R. 28568 (Mar. 20, 2017) (Hearing Bd. at 19). An attorney violates Rule 1.15(a) where the attorney uses client or third-party funds without authority, thereby causing the balance in the account into which those funds were deposited to fall below the amount the attorney should be holding. Id. We find that the Administrator proved that Respondent used, without authority, at least $294,550.87 that he was supposed to be holding for Plain Bay Sales, and therefore that he violated Rule 1.15(a).

It is apparent from the foregoing discussion of the evidence that Respondent and Katie Prudent presented directly conflicting testimony regarding whether or not Respondent was authorized to withdraw funds from the FBO for his own benefit. Consequently, our finding of misconduct rests primarily on our credibility determinations. In short, we must decide if we believe Respondent or Ms. Prudent.

We did not find Respondent's testimony to be credible for a myriad of reasons. We found him to be evasive during portions of his testimony, particularly during the Administrator's cross-

examination of him, where he seemed to be striving to avoid answering the Administrator's relatively straightforward questions. (See, e.g., Tr. 396-99.)

We also found numerous flaws and inconsistencies in his testimony. For example, in his May 24, 2021 response letter to the ARDC, he described the events that led to his purported conversation with Ms. Prudent where she supposedly authorized him to pay himself fees from the FBO account. In that letter, Respondent stating that Ms. Prudent only sent a partial payment for the bill dated July 3, 2019 and never paid the bill dated February 4, 2020, and he *then* he contacted her and complained about not getting paid promptly, after which they entered into the oral agreement allowing him to pay his fees from the FBO account. (Adm. Ex. 1 at 1.) But at his hearing, he called his letter inaccurate and claimed that the oral agreement occurred in August 2018. It seems obvious to us that Respondent revised the purported oral-agreement date because his withdrawals from the FBO account actually began in January 2019, more than a year before the oral-agreement date he provided in the May 24, 2021 letter.

On that point, we note that the reason Respondent provided in his letter to the ARDC as well as in his hearing testimony for wanting to withdraw funds from the FBO account was that he was not getting paid promptly. However, his office manager's affidavit and his own testimony established that he was paid promptly through Invoice 7, dated June 10, 2019. It was not until Invoice 8 and Invoice 9, dated July 3, 2019 and October 2, 2019, respectively – more than six months after Respondent began withdrawing funds from the FBO account – that Plain Bay Sales made partial payments and took several months to pay the bills in full.

Furthermore, it defies common sense that Respondent would continue to send invoices and receive payment on those invoices while, at the same time, he was also taking money out of the FBO account purportedly in payment of additional legal work that was not included on the invoices. Yet, he did that for more than a year.

In addition, all but two of Respondent's withdrawals from the FBO account were round numbers (*e.g.*, $5,000, $7,500, $12,000, $25,000, *etc*.), as contrasted with the amounts charged on the invoices (*e.g.*, $14,920, $17,280, $27,120, *etc*.), which adds to our skepticism that the withdrawals were for legal fees. Moreover, the only withdrawal amounts that were not round numbers were ostensibly payments for Invoice 8 and Invoice 10. As for Invoice 8, not only did that transfer occur a mere 13 days after Respondent issued it, but it is clear from the documentary evidence that Plain Bay Sales paid off that invoice over four payments, one of which Respondent received the day *before* he made his withdrawal. We also note that the double payment for Invoice 8 is clearly noted on the FBO account log attached to Holmes' affidavit; yet, Respondent never attempted to refund any portion of the double payment to Plain Bay Sales. And as for Invoice 10, we find it wholly implausible that Respondent would withdraw purported fees of $33,890 on February 3, 2020 but then also send an invoice for an additional $27,520 a day later on February 4, 2020.

Respondent's explanation for withdrawing funds from the FBO account at the same time that he was sending invoices and receiving payments for those invoices is equally implausible. He suggested that he used two different billing methods – one that involved sending the invoices and one that involved keeping track of his additional legal work and corresponding fees on a notepad and then occasionally crediting bills that were paid by subtracting them from the notepad-recorded fees. Further adding to our skepticism about Respondent's explanation, Respondent testified that his handwritten time and billing notes that corresponded to his FBO account withdrawals were the only documents he destroyed following his termination from the case.

We further note that, based upon Respondent's withdrawals from the FBO account and assuming he was still billing $400 per hour for his work, he would have worked over 700 hours and earned over $294,000 in fees, in addition to the 424 hours worked and $169,620 in fees he

invoiced for (including Invoice 10). Considering all of the evidence regarding the work Respondent actually performed, the invoices he sent and received payment for, and the amounts he withdrew from the FBO, the math simply does not add up, literally and figuratively.

Finally, Respondent did not invoice for work after February 4, 2020. He also made no withdrawals from the FBO account after June 4, 2020, at which point the balance in the account was $936.49. Yet, he claims to have continued working on the matter without charging any fees until he was terminated on January 11, 2021. Given Respondent's self-professed concern that he was not being paid timely and sufficiently for the work he was doing on the matter, it defies logic that he would continue working on the matter for free for six months. The more likely scenario is that his withdrawals had already depleted the FBO account by June 2020 and there was not much more he could take.

For these reasons, we find Respondent's testimony about his withdrawals from the FBO account to be entirely not credible. We do not believe his claim that he withdrew money from the FBO account to pay his legal fees that he legitimately earned, nor that Ms. Prudent authorized him to do so.

We do, on the other hand, believe Ms. Prudent's unequivocal testimony that she did not authorize Respondent to take and use funds from the FBO account. We were able to listen to and observe her testimony, and found her to be forthright. Nothing in her demeanor or responses made it appear that she was trying to be evasive in any respect. To the extent she lacked knowledge about invoicing and payments to Respondent, we believed her testimony that she left it up to Gillis to pay the attorneys' bills. We also believed her testimony that only she could give direction to Respondent as to the funds in the FBO account, and that she did not direct him to pay himself from those funds.

Moreover, we found her testimony to be supported by the documentary evidence, for the same reasons that we found Respondent's testimony to be undermined by the documentary evidence. Most significantly, we are persuaded by her rhetorical questions: "[W]hy would I [give Respondent authority to take money out of the FBO account]? Every bill he sent to me, I paid. I paid all of his bills. I never owed him a penny. Why would he take money out of the [FBO] account?" (Tr. 41-42, 92-94.)

The fact that Respondent claims that Invoice 10 was never paid does not change our analysis. The Administrator presented some evidence that Respondent did not actually send Invoice 10 to Gillis, though not enough evidence to prove that it was not a legitimate invoice. But even if Invoice 10 was legitimate and never paid, Respondent still was not entitled to pay himself from the FBO account without specific authorization from his client. See, e.g., In re Kitsos**,** 127 Ill. 2d 1, 535 N.E.2d 792 (1989); In re Solomon**,** 118 Ill. 2d 286, 515 N.E.2d 52 (1987); In re Doyle**,** 99 CH 100, M.R. 18071 (May 24, 2002); In re Sturgeon**,** 98 CH 10, M.R. 16935 (Sept. 25, 2000) (all finding that the attorneys converted client or third-party funds by taking them without authorization, despite their arguments that they were owed the funds as fees).

Based primarily upon our credibility determinations, as well as the voluminous documentary evidence, we find that Ms. Prudent did not authorize Respondent to withdraw funds from the FBO account to pay his legal fees or for any other purpose. We therefore find that the Administrator proved by clear and convincing evidence that Respondent used, without authority, $294,550.87 that he was supposed to be holding for Plain Bay Sales, and therefore that he violated Rule 1.15(a).

Rule 1.15(d)

Rule 1.15(d) provides that a lawyer shall promptly deliver to a client or third person any funds or other property that the client or third person is entitled to receive. Ill. R. Prof. Cond.

1.15(d). The Administrator alleges that Respondent violated Rule 1.15(d) by failing to return the FBO account funds after being asked to do so by Ms. Prudent and Chapman. We find the Administrator proved this charge by clear and convincing evidence.

Respondent acknowledged that he received letters from Ms. Prudent or Chapman asking him to return the funds he took from the FBO account, and that he never responded to the letters nor returned the funds to Plain Bay Sales. Having already found that Respondent was not authorized to take and use those funds, we also find that, under Rule 1.15(d), he had an obligation to return the funds to Plain Bay Sales when it asked him to do so. He did not, and therefore violated Rule 1.15(d).

Rule 8.4(c)

It is professional misconduct for a lawyer to engage in conduct involving dishonesty, fraud, deceit, or misrepresentation. Ill. R. Prof'l Cond. 8.4(c). The Administrator alleged that Respondent violated this rule because he knew that he was not authorized to take and use the funds in the FBO account but did so anyway. We find the Administrator proved this charge by clear and convincing evidence.

Dishonesty is broadly construed to include anything calculated to deceive. Edmonds, 2014 IL 117696, ¶ 53. When evaluating whether an attorney dishonestly misappropriated funds, the Hearing Board seeks to ascertain whether the attorney knowingly used funds that did not belong to him. In re Knowles, 2015PR00073, M.R. 28744 (Sept. 22, 2017) (Hearing Bd. at 16). Attorneys who take funds that they know do not belong to them engage in dishonest conduct. In re Miller, 2014PR00134, M.R. 28618 (May 18, 2017) (Hearing Bd. at 10).

As with our finding that Respondent took his client's funds without authorization, our analysis of whether he did so dishonestly rests primarily on our credibility findings. As we discussed at length above, we did not find Respondent credible. Rather, we believe his shifting

explanation for his withdrawal of funds from the FBO account was simply a *post hoc* justification for taking and using his client's funds without authorization, which, given his many years of experience, he surely knew he was not permitted to do.

Moreover, assuming for the sake of argument that Respondent legitimately believed that Plain Bay Sales owed him additional attorney's fees beyond what he had invoiced, his unilateral taking of funds from the FBO account knowing that his client did not authorize him to do so would still be dishonest. See Doyle**,** 99 CH 100 (Review Bd. at 3-4) (affirming Hearing Board's finding of dishonesty where the attorney took money that did not belong to him without authorization, notwithstanding his argument that he was entitled to the money as fees.)

We find that the evidence demonstrated that Respondent knowingly and intentionally used at least $294,550.87 that he should have been holding in the FBO account for Plain Bay Sales. By knowingly using funds that did not belong to him, without authority to do so, Respondent engaged in dishonest conduct. Accordingly, we find that the Administrator proved by clear and convincing evidence that Respondent violated Rule 8.4(c).

II. The Administrator charged Respondent in Count II with using means that have no substantial purpose other than to embarrass, delay, or burden a third person in connection with his interactions with his opposing counsel.

A. Summary

Respondent used means that have no substantial purpose other than to embarrass, delay, or burden a third person by reciting his opposing counsel's home address to her at a case management conference and using abusive language directed at her during a deposition.

B. Admitted Facts and Evidence Considered

Beginning in 2018, Respondent was counsel for the plaintiff and attorney Lauren Caisman was counsel for several of the defendants, including a hospital, in a privacy-litigation matter related to the plaintiff's medical records. Caisman was 30 years old, had been practicing law for less than

five years, and was a mid-level associate at that time. Respondent and Caisman had no dealings with each other prior to their involvement in the matter and had no relationship apart from dealing with each other as opposing counsel in that one case. (Ans. at par. 12; Tr. 172, 199, 200-201, 206.)

July 3 and July 4, 2018 Emails from Respondent to Caisman

On July 3, 2018, while Respondent and Caisman were involved in discussions regarding the production and use of documents relating to the case, Respondent sent an email to Caisman stating, in part: "Also based on what was produced to Hartford's attorney, my request to place my communications that the 2014 chart should not be produced in the chart was ignored. Am I Glenn Close???" (Ans. at par. 13; Adm. Ex. 16 at 3.)

Caisman testified that, when she first read this email, she knew who Glenn Close was but did not necessarily understand the reference to Glenn Close in the email. She had received about seven or eight emails from Respondent on July 3 and July 4, 2018. She was still a junior to rising-senior associate at the time and therefore kept the partner on the case, Jena Valdetero, in the loop on everything, so she forwarded the emails to Valdetero. She also had a conversation with Valdetero, who believed it to be a reference to Glenn Close's role in the movie "Fatal Attraction." (Tr. 203-205, 216.)

Respondent testified that he wrote the July 3, 2018 email to Caisman because he had written to her client, the hospital, five times instructing the hospital not to produce his client's psychiatric records, but it nonetheless produced the records. He referred to Glenn Close because her character in the movie "Fatal Attraction" had a famous line about being ignored, and he felt that Caisman's client was ignoring his communications. He was trying to be funny. His purpose in sending the email was not to embarrass or harm Caisman or make her feel uncomfortable. (Tr. 173-75, 365-67, 369; Adm. Ex. 16 at 3.)

On July 4, 2018, Respondent sent another email to Caisman with the subject "Doe v HarperCollins – you sure get involved in interesting cases." In the body of the email, Respondent wrote: "For sure I have to keep my eyes on you to be sure I am not too badly over matched." (Ans. at par. 14; Adm. Ex. 16 at 4.) The email was referring to another case that Caisman was involved with, unrelated to the matter in which Respondent was her opposing counsel. (Tr. 206.)

Caisman testified that the July 4 email made her feel uncomfortable; she had never had opposing counsel do due diligence on her and then tell her about it. She testified that, coupled with the Glenn Close email, "it just … didn't feel good. And it felt very strange." After receiving those emails, Caisman limited phone calls with Respondent and preferred to keep things in writing. Valdetero became more involved in communications with opposing counsel than she otherwise would have been. (Tr. 207-209.)

Respondent testified that his purpose in sending the July 4 email was to give Caisman a compliment. He testified that he "always tr[ies] to make friends with [his] opponents" and that "[t]his was [his] way of complimenting her." He testified that he was doing research for another case he was handling and ran across the case referenced in the e-mail. He saw that Caisman had handled and won that case, so he "thought this would be a good way to start off a relationship, to give her a compliment." (Tr. 175, 367-68.)

June 2019 Incident in Judge Flanagan's Courtroom

On June 17, 2019, Judge Flanagan held a hearing in her courtroom on Respondent's motion for leave to file an amended complaint. After the judge issued her oral ruling granting Respondent's motion, Caisman was tasked with handwriting the order on the motion, so she remained in the courtroom, as did Respondent and Stefanie Ferrari, an attorney for one of the other defendants. The judge's clerk also was in the courtroom. The parties submitted the order, and the

judge's clerk asked them to add a sentence identifying what was being amended. According to Caisman, she wrote something that Respondent disagreed with. (Tr. 176, 210-11.)

Caisman testified that Respondent started to raise his voice, asking her in an aggressive tone, "[C]an you read? Do you even know how to read? Do I need to come serve you with papers at…" and then he stated her full home address. She asked him how he got her home address. She "was immediately shaky about it." Her home address was not information that she shared with colleagues freely. She told him it was inappropriate that he had her home address and was suggesting that he might go there to bring papers to her. (Tr. 211-12.)

Caisman testified that, at the time, she lived at 401 North Wabash, which is the Trump Tower. She was embarrassed by that for various reasons and did not like telling people she lived there, let alone an opposing attorney on a case. She testified that she was visibly shaking in the courtroom, and the judge's clerk saw it and asked her if she wanted to bring it to the judge's attention and get the judge back out to the courtroom. Caisman declined. (Tr. 212-14.)

Respondent, on the other hand, testified that, after Judge Flanagan left the courtroom, the judge's clerk asked Respondent why he was amending the complaint and he responded. Caisman then called him a liar in a voice loud enough for the whole courtroom to hear. After she called him a liar, he responded by saying, "Why don't you take my amended complaint to your home on Wabash Street so you won't be distracted in the office?" He knew Caisman lived on Wabash but not specifically where on Wabash because, when they first met, Respondent told Caisman that he lived in Barrington Hills and Caisman said she lived on Wabash. He testified that he did not state her full street address because he did not know it. Respondent further testified that Caisman did not appear to be affected by his statement. (Tr. 176-78, 370-72.)

Caisman, however, testified that it was Respondent who raised his voice and ultimately stormed out of the courtroom. She testified that she did not raise her voice in response, nor did she

call him a liar. (Tr. 212, 241.) Caisman further testified that Ferrari also was in the courtroom when this incident occurred, and that she and Ferrari "did a debrief" of what had just happened. Caisman then went back to her office and immediately told Valdetero what had happened at the hearing, including Respondent mentioning her home address. That same day, she also sent an email to Valdetero about the incident. (Tr. 214-16; Adm. Ex. 17 at 3.)

Stefanie Ferrari testified that she was present during and after the June 17, 2019 hearing before Judge Flanagan. She testified that, following the hearing, she, Caisman, and Respondent were in the courtroom. Caisman was writing the order from the hearing and Ferrari was waiting for her to finish the order. Respondent "said something along the lines of he will deliver it to an address." Ferrari heard Respondent mention a full street address. She did not recall what street, but it might have been Wabash. Caisman seemed very alarmed and asked Respondent why he had her home address. According to Ferrari, Respondent "just kind of chuckled and then left the courtroom." (Tr. 247-48, 251.) Ferrari testified that Caisman did not raise her voice at any time during the proceedings that day, and that she did not hear Caisman call Respondent a liar. (Tr. 249.)

Ferrari testified that Caisman "was very shaken up" by what Respondent had said. Caisman seemed "very scared" and said she had no idea how Respondent would have gotten her home address. Someone from Judge Flanagan's staff was still in the courtroom and asked what was going on and if Caisman was okay. Caisman explained what had happened, and the staff member offered to get Judge Flanagan, but Caisman declined. (Tr. 248.)

Shortly after the incident in Judge Flanagan's courtroom occurred, Caisman discussed it with the firm's managing partner, the firm's general counsel, the client, and Valdetero. Collectively, they decided it was important enough and Caisman was shaken up about it enough to send a letter to the ARDC. Outside counsel prepared the letter, with Caisman's assistance. (Tr. 217.)

Respondent testified that his purpose in suggesting that Caisman should read the amended complaint at home was not to embarrass, burden, scare, or intimidate her or make her feel comfortable. He was telling her that she should take some time and read the document somewhere so that she would know that he was telling the truth about what the judge had allowed him to amend in the complaint. (Tr. 372-73.)

December 2020 Deposition

On December 8, 2020, Respondent, Caisman, and other defense counsel participated in a deposition of Respondent's client. Caisman testified that the deposition, which was by Zoom, was important because she was deposing the plaintiff. According to Caisman, almost immediately after Caisman asked her first question, Respondent interrupted her, telling her what she could or could not ask. He "continued to escalate" from there, and prematurely terminated the deposition while she was out of the room on a break. She came back and the witness was gone and she was told that the deposition was over. (Tr. 218-19.)

Caisman testified that Respondent interrupted many of her questions, and that he "would just start speaking, either giving the answers to [her] questions or ... giving long-winded objections that [she] felt coached his witness into not answering [her] question at all or... advis[ed the] witness." She repeatedly asked Respondent to "stop making speaking objections or improper objections or coaching the witness or goading the witness into being difficult or not answering [her] questions." (Tr. 220.)

Caisman testified that, after she made her comment about speaking objections, Respondent told her that he had been a lawyer longer than she had been wearing long pants. He also told her more than once to shut up. He said to her, "Who the hell do you think you are? You don't tell me what to do." He also told her that he had been doing "this," meaning the practice of law, since before she was "fucking wearing pajamas." (Tr. 227-28; Adm. Ex. 27.)

Caisman initially reported Respondent to the ARDC because of his comment about her home address, in addition to the e-mail comment about Glenn Close, but the deposition seemed to her to be "an escalation." Respondent's derogatory comments to her were more important to her than his speaking objections. (Tr. 236.)

Respondent testified that, when he referred to "long pants," he was talking to all of the lawyers who were attending the deposition. He acknowledged, however, that he told Caisman to shut up and swore at her, for which he was "very embarrassed" and "apologized to her." (Tr. 178, 186-88.)

Respondent further testified that his purpose in saying the things he said to Caisman at the deposition was to protect his client's right, because Caisman was invading the client's attorney-client privilege. He felt Caisman was being overly aggressive and trying to be tricky, and he lost his temper, which he acknowledged was "the wrong thing to do." He further testified that he was in a lot of pain during the deposition because of a back injury. He was taking medications at the time, and they made him a little drowsy. He testified that he understands that no matter the degree of pain he was in, he cannot say the things he said to Caisman, and that this has never happened to him before or since. (Tr. 374-76.) He testified that he regrets his actions and should have conducted himself as a gentleman. He stated: "This is a one-time thing that happened." (Tr. 374, 376-77.)

C. Analysis and Conclusions

Rule 4.4(a)

In representing a client, a lawyer shall not use means that have no substantial purpose other than to embarrass, delay, or burden a third person. Ill. R. Prof'l. Conduct R. 4.4(a). The Administrator alleged that Respondent violated this rule based on his July 2018 emails to Caisman and his conduct toward her following the June 2019 hearing and in the December 2020 deposition. We find that the Administrator proved this charge by clear and convincing evidence.

Violations of Rule 4.4(a) have been found when a lawyer uses inappropriate or offensive language in dealing with opposing counsel or others while representing clients, including language that is vulgar, profane, degrading, derogatory, demeaning, insulting, discriminatory, or intimidating. In re Craddock, 2017PR00115, M.R. 30266 (March 13, 2020) (Hearing Bd. at 8); In re Moore, 2015PR00076, M.R. 028896 (Sept. 22, 2017) (Hearing Bd. at 12).

We find that the July 3 and July 4, 2018 emails did not violate Rule 4.4(a). While they were odd and may have caused Caisman some concern, we do not believe the content of them rose to the level of inappropriate or offensive communication that is typically found to have violated Rule 4.4(a). Moreover, we accept Respondent's explanations regarding why he sent each email, which we find were supported by the content and context of the emails themselves, and therefore find that Respondent intended them to serve purposes other than to embarrass or burden Caisman.

With respect to Respondent's conduct toward Caisman in Judge Flanagan's courtroom in June 2019 and during the December 2020 deposition, however, we find that the Administrator proved by clear and convincing evidence that Respondent violated Rule 4.4(a).

We accepted as credible Caisman's testimony about the June 2019 incident in the courtroom. Her testimony was detailed and unwavering. Significantly, it was corroborated by Ferrari's testimony, which we also found to be credible, and by the contemporaneous email Caisman sent to her partner about the incident. Caisman's and Ferrari's credible testimony directly contradicted Respondent's version of events, which, to put it bluntly, we did not believe. We therefore find that, in Judge Flanagan's courtroom, Respondent recited Caisman's home address, and that there was no reason for him to do so other than to intimidate or embarrass her.

Similarly, we found Caisman credible on the subject of Respondent's conduct during the December 2020 deposition, which is corroborated by a videorecording of that deposition. We also note that Respondent largely acknowledged his conduct during that deposition, though, as

discussed below, he minimized or made excuses for some of it. Zealously advocating for his client did not give him a right to use the kind of language he did toward Caisman. We find that Respondent directed profane, demeaning, and insulting comments toward Caisman, some of which stemmed from her age and level of experience compared to Respondent. We find that there was no purpose whatsoever for these comments other than to embarrass, harass, and burden Caisman.

Accordingly, we find that the Administrator proved by clear and convincing evidence that Respondent violated Rule 4.4(a).

EVIDENCE IN AGGRAVATION AND MITIGATION

Mitigation

Respondent testified that he volunteered with a horse rescue organization, and took some of the mistreated horses and cared for them until they recovered. He also volunteered time and donated money to the Barrington Area Conservation Trust. He helped his neighbor and others host a Thanksgiving dinner for new recruits at Great Lakes Naval Station. He occasionally represented clients on a *pro bono* basis. (Tr. 287-90.)

Respondent testified that he would handle the transfers from the FBO account differently today than he did in 2019 and 2020, in that he would put everything in writing and have Ms. Prudent sign it. (Tr. 377-78.)

Respondent acknowledged that his behavior toward Caisman during the June 2020 deposition was inappropriate. He testified that he "was very embarrassed" about his conduct during the deposition, and apologized for it. He testified that he "never should have said those words" and that he understands that his conduct was wrong. (Tr. 373.)

Character Testimony

James Kelly is an Illinois attorney who has been licensed since 1991. He has known Respondent since 2012 or 2013. They met when Kelly was one of the attorneys for the Village of

Barrington Hills and Respondent was a frequent speaker at Village Board meetings. Later, Respondent was involved as an intervenor and co-counsel in two lawsuits in which Kelly represented the Village of Barrington Hills. In his dealings with Respondent, Kelly has observed Respondent's interactions with lawyers, judges, and other individuals, and has observed him taking and defending depositions and in the courtroom. Kelly has not observed Respondent to be difficult, obstructionist, annoying, harassing, intimidating, or threatening in any of those encounters. He testified that Respondent got along with opposing counsel well. Kelly has never known Respondent to be dishonest, and opined that Respondent has a good reputation for truthfulness, veracity, and integrity in the legal community. (Tr. 270-76.)

Michael Siboni is a Florida attorney who has been practicing law since 1981. He is based in Ocala, Florida, and the bulk of his practice is mediation and arbitration. Before he began concentrating in mediation and arbitration, he was a trial lawyer, focusing on aviation and equine-related matters. He has known Respondent for more than 10 years; they met when they were adversaries in a horse-related matter. He has worked with Respondent on other matters since then. Siboni testified that Respondent's reputation in the legal community for honesty, truthfulness, and veracity is "excellent." In Kelly's dealings with Respondent, Respondent has "conducted himself with total professionalism and civility and respect for the tribunal" they were involved with. Siboni has never known Respondent to be dishonest. He has never experienced Respondent mistreating, being rude to, or harassing opposing counsel. (Tr. 262-68.)

Aggravation

Ms. Prudent testified that what happened with the funds in the FBO account negatively impacted her view of the legal profession and caused her to no longer trust lawyers. (Tr. 42-43.)

Regarding his comment to Caisman during the June 2020 deposition that he had been a lawyer longer than she had been wearing long pants, Respondent testified that he was talking to

all lawyers in the deposition, not just Caisman. The videorecording of the deposition, however, demonstrates that he appeared to be addressing Caisman directly when he made that statement. In addition, regarding repeatedly telling Caisman to shut up, he testified that he was asserting an objection made at a previous deposition, and that she was interrupting him when he was speaking. (Tr. 186-88; Adm. Ex. 27.)

Caisman testified that Respondent's conduct during the deposition made her feel "terrible." She did not understand what "longer than you have been wearing pajamas" or "in pants" meant, but felt it to be a derogatory age- or gender-related comment. (Tr. 228-29.)

Prior Discipline

On January 15, 2016, Respondent was reprimanded for using client funds for his own purposes without authorization. In re Pappas, 2014PR00088. In that prior matter, Respondent was charged with dishonestly converting about $15,000 in client funds in two separate personal-injury matters. The Hearing Board found that Respondent failed to safeguard client funds but did not do so dishonestly. In the first matter, his IOLTA balance fell more than $10,000 below the amount he was supposed to be holding for the client, stemming partly from a bank error but also from unexplained bookkeeping mistakes. In the second matter, his IOLTA account was overdrawn by over $5,000 when he should have been holding more than $8,000 for a client and lienholders. To cover the deficit, he improperly transferred money from another client's trust account without authorization. In both matters, the Hearing Board found no clear and convincing evidence of dishonesty, and attributed the problems to poor accounting rather than intentional misconduct. Because no clients were harmed and Respondent had a long, discipline-free career, the Hearing Board recommended a reprimand.

RECOMMENDATION

A. Summary

Based upon the serious nature of Respondent's misconduct, and considering the minimal mitigating and extensive aggravating factors, the Hearing Board recommends that Respondent be disbarred.

B. Analysis and Conclusions

In determining the appropriate discipline, we are mindful that the purpose of these proceedings is not to punish, but to safeguard the public, maintain the integrity of the profession, and protect the administration of justice from reproach. In re Edmonds, 2014 IL 117696, ¶ 90. While we strive for consistency and predictability, we recognize that each case is unique and must be decided on its own facts. In re Mulroe, 2011 IL 111378, ¶ 25.

The Administrator asks us to recommend disbarment. Respondent suggests that, at most, he should be reprimanded or censured for his conduct toward Caisman during the December 2020 deposition.

In arriving at our recommendation, we consider those circumstances that may mitigate or aggravate the misconduct. In re Gorecki, 208 Ill. 2d 350, 802 N.E.2d 1194 (2003). In mitigation, Respondent engaged in volunteer and some *pro bono* work, and two attorneys testified positively about his character and reputation for honesty in the legal community. Respondent acknowledged that he behaved inappropriately toward Caisman in the December 2020 deposition and apologized for that conduct, although he also attempted to justify and minimize some of that conduct.

In aggravation, we consider any harm or risk of harm that was caused by Respondent's conduct. See In re Saladino, 71 Ill. 2d 263, 375 N.E.2d 102 (1978) (discipline should be "closely linked to the harm caused or the unreasonable risk created by the [attorney's] lack of care"). In this case, Respondent caused significant actual harm to his client by taking over $294,000 of funds

that he was supposed to be holding for his client, and he still has not returned those funds. He also harmed Caisman. She was shaken up and scared by his reciting her home address in the courtroom and stating that he would deliver papers to her there. His conduct also derailed the deposition and caused her to feel insulted based on her age and gender.

Another factor that aggravates Respondent's conduct is his pattern of behavior. The misconduct in this case was not an isolated instance; rather, over the course of 18 months, Respondent wired funds from the FBO account to his firm's account on 16 separate occasions. Moreover, he has yet to return any of the funds he took from the FBO account. In addition, he was an experienced practitioner at the time of his misconduct, and had worked at several high-profile law firms and was a name partner in two law firms. Given his level of experience, he should have known better than to do what he did.

Finally, Respondent was reprimanded for failing to safeguard client funds just three years before he began withdrawing funds without authorization from the FBO account. An attorney who has been disciplined is expected to have "a heightened awareness of the necessity to conform strictly to all of the requirements of the Rules of Professional Conduct." In re Storment, 203 Ill. 2d 378, 401, 786 N.E.2d 963 (2002). It is clear that Respondent's prior discipline did not have the desired effect of preventing further violations of the ethical rules. We find it particularly concerning that the misconduct in the first case is similar to the misconduct charged in this matter. We therefore find Respondent's prior discipline significantly aggravating.

Considering the nature and extent of Respondent's misconduct as well as the mitigation and aggravation in this matter, we agree with the Administrator that Respondent should be disbarred.

Standing alone, Respondent's conduct toward Caisman, while unacceptable, would warrant a relatively minor sanction. See, e.g., In re Raines, 2024PR00050 (Hearing Bd. Dec. 13,

2024) (reprimand where respondent, while serving as a judge, made critical and derogatory remarks to attorneys in the courtroom about other attorneys who had just appeared before him); In re Gerstein, 99 SH 1, M.R. 18377 (Nov. 26, 2002) (30-day suspension where attorney used derogatory and demeaning language in communications with opposing counsel); In re Craddock, 20PR00115, M.R. 30266 (March 13, 2020) (three-month suspension where attorney directed profane and disparaging language at his opposing counsel in three instances, including vulgar and offensive gender-based terms).

However, Respondent's dishonest misappropriation of more than $294,000 of his client's funds warrants disbarment. See, e.g., In re Ruggiero, 2021PR00078, M.R. 31850 (Nov. 21, 2023) (disbarring attorney who dishonestly misappropriated $291,844.28 in trust assets while acting as a trustee and failed to distribute funds owed to trust beneficiaries); In re Rozenstrauch, 2012PR00166, M.R. 27477 (Sept. 23, 2015) (disbarring attorney for dishonestly converting at least $295,019.11 in nine client matters); In re Stewart, 05 CH 120, M.R. 22284 (May 19, 2008) (disbarring attorney who dishonestly converted over $200,000 in escrow funds, breached his fiduciary duty, and commingled personal funds in his client fund).

Based on Respondent's dishonest misappropriation of at least $294,550.87 of Plain Bay Sales' funds, as well as his additional misconduct toward Caisman, we find that disbarment is commensurate with Respondent's misconduct, consistent with discipline that has been imposed for comparable misconduct, and necessary to serve the goals of attorney discipline, act as a deterrent, and preserve the public's trust in the legal profession.

Accordingly, we recommend that Respondent, John Joseph Pappas, be disbarred.

Respectfully submitted,

Nicole C. Mueller
Geetu R. Naik
Michael J. Friduss

CERTIFICATION

I, Michelle M. Thome, Clerk of the Attorney Registration and Disciplinary Commission of the Supreme Court of Illinois and keeper of the records, hereby certifies that the foregoing is a true copy of the Report and Recommendation of the Hearing Board, approved by each Panel member, entered in the above entitled cause of record filed in my office on December 3, 2025.

/s/ Michelle M. Thome
Michelle M. Thome, Clerk of the
Attorney Registration and Disciplinary
Commission of the Supreme Court of Illinois

4919-7367-9997, v. 1

1 Respondent also testified about his extensive experience with horses. (See Tr. 283-87). We have considered this testimony, but find it immaterial to the misconduct charges and therefore do not include it here.

2 On the bill of sale, Zume Gallaher is listed as Victorio 5's buyer. (See Resp. Ex. 17, 26.) In their testimony, however, both Ms. Prudent and Respondent referred to either William Gallaher on behalf of Zume, or the Gallahers collectively, as the buyer. This distinction is not important for purposes of this Report and Recommendation, which adopts the collective "Gallahers" when discussing Victorio 5's buyer.

3 The Administrator's complaint and some witness testimony incorrectly referred to the FBO account as an escrow account. If quoting directly from witness testimony, this Report and Recommendation uses the same terminology that the witness used, including the term "escrow account," but otherwise uses the correct term "FBO account," which is the only account at issue in this matter.

4 Holmes' log states that this transaction occurred on "1-16-18." However, it is clear from the history of the Plain Bay Sales-Gallaher dispute, which began in March 2018, that the 2018 date is a typographical error and that the transaction occurred on January 16, 2019.

5 For the June 4, 2019 entry, the log states "wrote $42,500." However, based upon testimony and other documentary evidence showing a wire transfer of $42,500 from the FBO on June 4, 2019, the word "wrote" appears to be another typographical error.

6 Again, this entry appears to contain a typographical error in the date, which is listed as "03-25-2019" on the log. But given the entry's placement in the list of transfers, as well as other documentary evidence, it is apparent that this transfer occurred on March 25, 2020, not in 2019.

7 The sum of the withdrawals from the FBO account as listed in Holmes' affidavit is $296,670. That sum, combined with the $936.49 that remained in the FBO account after Respondent stopped making withdrawals from it in June 2020, is $297,606.49. Thus, there is a discrepancy of $3,055.62 in the amount of Respondent's withdrawals as described in the Administrator's complaint ($294,550.87) and the amount that is supported by at least some of the evidence presented at hearing. We need not resolve that discrepancy, however, because the Administrator's complaint consistently alleges that Respondent misappropriated at least $294,550.87, which we believe fairly describes the evidence presented at hearing.