2025PR00020

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

In the Matter of:

ERIC J. RYAN,

Commission No. 2025PR00020

Attorney-Respondent,

No. 6275824.

NOTICE OF FILING

TO: Eric J. Ryan

Attorney-Respondent erici.ryan@gmail.com

PLEASE TAKE NOTICE that on May 7, 2025, an electronic copy of the Administrator's FIRST AMENDED COMPLAINT, was submitted to the Clerk of the Supreme Court for filing. On that same date, a copy will be served by e-mail on Respondent, at or before 4:00 p.m.

Respectfully submitted,

Lea S. Gutierrez, Administrator Attorney Registration and Disciplinary Commission

By: /s/Morgan B. Handwerker

Morgan B. Handwerker

Morgan B. Handwerker Mattthew D. Lango Counsel for Administrator One Prudential Plaza 130 E. Randolph Drive, Suite 1500

Chicago, Illinois 60601
Telephone: (312) 565-2600
Email: mhandwerker@iardc.org

Email: ARDCeService@iardc.org

FILED 5/7/2025 11:55 AM ARDC Clerk

PROOF OF SERVICE

The undersigned, an attorney, hereby certifies, pursuant to the Illinois Code of Civil Procedure, 735 ILCS 5/109, that the Administrator served a copy of the Notice of Filing and the Administrator's FIRST AMENDED COMPLAINT on the individual on the forgoing Notice of Filing, sent by e-mail to ericj.ryan@gmail.com on May 7, 2025 at or before 4:00 p.m.

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.

By: <u>/s/ Morgan B. Handwerker</u>
Morgan B. Handwerker

4877-1170-1455, v. 1

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

In the Matter of:

ERIC J. RYAN,

Commission No. 2025PR00020

Attorney-Respondent,

No. 6275824.

FIRST AMENDED COMPLAINT

Lea S. Gutierrez, Administrator of the Attorney Registration and Disciplinary Commission, by her attorneys, Morgan B. Handwerker and Matthew D. Lango, pursuant to Supreme Court Rule 753(b), complains of Respondent, Eric J. Ryan, who was licensed to practice law in Illinois on November 28, 2001, and alleges that Respondent has engaged in the following conduct which subjects Respondent to discipline pursuant to Supreme Court Rule 770:

ALLEGATIONS COMMON TO ALL COUNTS

- 1. At all times alleged in this complaint, Respondent owned and operated The Law Office of Eric J. Ryan, LLC ("Respondent's law firm"), which was located in St. Charles and handled general civil litigation matters.
- 2. At all times alleged in this complaint, Respondent maintained a client trust account at Old Second National Bank, ending in 3529, entitled "Client Trust Account Law Offices of Eric J. Ryan, LLC" ("client trust account"). The client trust account was used by Respondent as a depository of funds belonging to Respondent's clients, third parties, or presently or potentially, to Respondent.

FILED 5/7/2025 11:55 AM ARDC Clerk

- 3. At all times alleged in this complaint, Respondent maintained an operating account at Old Second National Bank, ending in 3511, entitled "Law Offices of Eric J. Ryan, LLC" ("operating account").
- 4. The operating account was used by Respondent as a depository of funds presently or potentially belonging to Respondent or Respondent's law firm.
- 5. At all times alleged in this complaint, Respondent was the sole person responsible for signing checks drawn on his client trust account.

COUNT I

(Conversion of escrow funds Estate of Ardash Marderosian; Dishonesty)

- 6. The Administrator realleges and incorporates paragraphs 1 through 5 above.
- 7. On or about May 7, 2015, Steven Marderosian ("Marderosian"), as administrator of the Estate of Ardash Marderosian ("the estate") and Respondent agreed that Respondent would represent the estate in connection with the case *Estate of Ardash Marderosian v. Burgess Square Healthcare Weiser Cordero, MD & Julie Farrell, MD*, 2016 L 000769 which, at the time, was pending in the Circuit Court of DuPage County ("lawsuit").
- 8. Marderosian and Respondent agreed that Respondent's receipt of a fee would be contingent on the estate's recovery of an award or settlement, and that Respondent would be paid one-third (1/3) of any recovery in connection with the lawsuit.
- 9. On June 19, 2018, Marderosian, as the estate's administrator, entered into a settlement agreement in connection with the lawsuit. The parties agreed that Burgess Square Healthcare would pay the estate \$30,000.00 to resolve the estate's claims.
- 10. In connection with that settlement, Burgess Square Healthcare issued check number 1397, dated July 6, 2018, payable to the order of "The Law Offices of Eric J. Ryan as Attorney for the Estate of Ardash Mardarosian" in the amount of \$30,000.00.

- 11. On July 26, 2018, Respondent deposited check number 1397, which represented the settlement funds, into Respondent's client trust account.
- 12. On July 27, 2018, Respondent transferred \$10,000.00, allegedly representing his attorney's fees, into Respondent's operating account as payment for Respondent's work in connection with his representation of the estate. Respondent did not provide the estate with a written settlement or distribution statement outlining how Respondent had determined the amount of any fee he may have been due.
- 13. On June 27, 2019, prior to any additional disbursement of the \$30,000.00 in settlement funds to the estate, Respondent drew the balance of his client trust account to \$0.07, as Respondent had used almost the entire \$30,000.00 of settlement funds for his own business or personal purposes.
- 14. At no time did Marderosian authorize Respondent to use any portion of the remaining \$30,000.00 in settlement funds for Respondent's own business or personal purposes.
- 15. Respondent's conduct in using the \$30,000.00 constituting settlement funds received in connection with his representation of the estate without authority constitutes conversion.
- 16. At the time Respondent used the \$30,000.00, as set forth above, Respondent knew that he was using those funds without authority. At the time Respondent used the \$30,000 in settlement proceeds for his own business and personal purposes, he acted dishonestly because he knew that he was using those funds without authority.

- 17. By reason of the conduct described above, Respondent has engaged in the following misconduct:
 - a. failing to hold property of a client or third person that is in the lawyer's possession in connection with a representation separate from the lawyer's own property, by conduct including converting \$30,000.00 of the settlement funds to his own business or personal use, by causing the balance in Respondent's client trust account to fall below the amount then belonging to the Estate of Ardash Marderosian, in violation of Rule 1.15(a) of the Illinois Rules of Professional Conduct (2010); and
 - b. conduct involving dishonesty, fraud, deceit or misrepresentation, by conduct including knowingly converting \$30,000.00 of the settlement funds to the Respondent's own use, without authorization, in violation of Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

COUNT II

(Dishonesty - Providing Estate of Ardash Marderosian with an Altered Bank Statement)

- 18. The Administrator realleges and incorporates paragraphs 1 through 17 above.
- 19. On March 21, 2023, Catherine Marderosian, Steven Marderosian's sister and an heir to the Estate of Ardash Marderosian, sent an email to Respondent which, in part, requested that he provide proof that the settlement funds remained in his client trust account.
- 20. In response to Catherine Marderosian's email, on or about March 22, 2023, Respondent created what he claimed to be a statement from his client trust account dated February 28, 2023, which purportedly showed an opening balance of \$52,451.50 and a closing balance of \$48,431.51 in his client trust account. Respondent then emailed the purported bank statement to Catherine Marderosian.
- 21. On January 14, 2025, Administrator served a subpoena upon Old Second National Bank for records in connection with her investigation of Respondent's handling of the estate.

- 22. On or about February 3, 2025, Old Second National Bank produced documents responsive to the Administrator's subpoena as set forth in paragraph 21, including account statements for Respondent's trust account for the time period of June 1, 2018, through December 31, 2024.
- 23. On February 28, 2023, the balance in Respondent's client trust account at Old Second National Bank was \$1.51.
- 24. Respondent knew that the statement as described in paragraph 20 was false because he or someone at his direction altered the statement for the purpose of deceiving Steven and Catherine Marderosian. When Respondent altered his client trust account statement and sent it to Steven and Catherine Marderosian, he did so dishonestly.
- 25. By reason of the conduct described above, Respondent has engaged in the following misconduct:
 - a. conduct involving dishonesty, fraud, deceit, or misrepresentation, by knowingly providing altered client trust account statements to Steven Marderosian and Catherine Marderosian, in violation of Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

COUNT III

(Dishonesty and False Statements to the Administrator)

- 26. The Administrator realleges and incorporates paragraphs 1 through 25 above.
- 27. On or about August 14, 2024, the Administrator docketed an investigation against Respondent based on his handling of the Marderosian estate.
- 28. Respondent appeared for a sworn statement before the Administrator on January 22, 2025, and took an oath to testify truthfully. While answering questions about his handling of

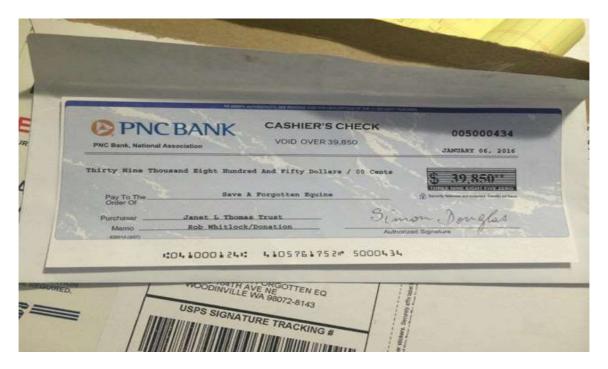
the \$30,000.00 settlement in the Marderosian estate matter described in paragraph 9, above, Respondent admitted that in June 2019, he drew the balance of his client trust account down to \$0.07 when he should have been holding \$30,000.00.

- 29. During his sworn statement, Respondent testified that in January 2023, following the sale of his home, he used \$30,000.00 of sale proceeds to purchase a cashier's check. Respondent further testified that he intended to utilize this cashier's check to replace the Marderosian estate settlement funds as set forth in paragraph 9, above. Respondent testified that he was holding the \$30,000.00 cashier's check at his residence.
- 30. Respondent's statements to counsel for the Administrator that he obtained and was holding \$30,000.00 in a cashier's check located at his home were false because no such cashier's check existed and Respondent was not holding \$30,000.00 to replace the Marderosian settlement funds described in Count I, above.
- 31. Respondent knew his statements in paragraph 29 were false at the time he made them.
- 32. On or about January 23, 2025, the day after Respondent's sworn statement, counsel for the Administrator emailed Respondent requesting that he produce a copy of the cashier's check which he claimed to have obtained.
- 33. Sometime on or before February 12, 2025, Respondent viewed an article written on the website safehorses.org, dated January 22, 2016, which contained a picture of a fraudulent cashier's check purportedly from PNC Bank¹.
 - 34. The article on safehorses.org concerned a scam in which the targeted organization

6

¹ <u>Scammers make an unsuccessful attempt to defraud SAFE | Save a Forgotten Equine (SAFE)</u> (last viewed May 6, 2025).

was asked to deposit the fraudulent check, ostensibly as a donation, and then return a portion of the funds to the sender of the check. The author of the article posted it to warn other charitable organizations about the scam. The following was the picture of the fraudulent check from the article on safehorses.org:



- 35. Sometime on or before February 12, 2025, Respondent caused the picture of the fraudulent check, taken from the safehorses.org website, as shown in paragraph 34, above, to be altered to make it appear as though the check was payable to his law firm in the amount of \$30,000.00, with "Marderosian" in the memo line.
- 36. On February 12, 2025, Respondent sent counsel for the Administrator a picture of what purported to be PNC Bank cashier's check #00500434, purportedly paid to the order of the "Law Offices of Eric J. Ryan LLC." Respondent emailed counsel for the Administrator the following photograph of the check:

PNC BANK PNC Bank, National Association	VOID OVER 30,000	005000434 JANUARY 06, 2023
Thirty Thousand Dollars / 00 Cents		\$ 30,000**
Pay To The The Law Offices of Eric J. B Order Of Exit J. Byan		on Donglas
Memo Mardezosian		zed Signature

- 37. The picture that Respondent created of the purported check shown in paragraph 36 is not a picture of a real cashier's check. No such check existed.
- 38. When Respondent created the picture of the check shown in paragraph 36, above, and sent it to counsel for the Administrator, he did so dishonestly because he knew that was not real and that he was not holding \$30,000.00 for the Marderosian estate settlement and that no such cashier's check existed.
- 39. Respondent altered the photograph of the check and sent it to counsel for the Administrator for the purpose of deceiving the Administrator into believing that he was holding \$30,000.00 for the Marderosian settlement.
- 40. On or about March 17, 2025, Administrator served a subpoena upon PNC Bank for records in connection with this matter, including a copy of the purported cashier's check above. On or about March 25, 2025, PNC responded to Administrator's March 17, 2025 subpoena. No record of cashier's check #00500434 existed.

- 41. By reason of the conduct described above, Respondent has engaged in the following misconduct:
 - a. knowingly making a false statement of material fact in connection with a disciplinary matter, by falsely stating to the Administrator that the \$30,000.00 was held in a cashier's check; and by altering a picture of a fraudulent cashier's check and sending it to the Administrator to support his assertion that he was holding \$30,000.00 in violation of Rule 8.1(a) of the Illinois Rules of Professional Conduct (2010); and
 - b. conduct involving dishonesty, fraud, deceit, or misrepresentation, by falsely stating he was holding \$30,000.00 in a cashier's check; and by altering a picture of a fraudulent cashier's check and sending it to the Administrator to support his assertion that he was holding \$30,000.00, in violation of Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

WHEREFORE, the Administrator respectfully requests that this matter be assigned to a panel of the Hearing Board, that a hearing be held, and that the panel make findings of fact and law, and a recommendation for such discipline as is warranted.

Respectfully submitted,

Lea S. Gutierrez, Administrator Attorney Registration and Disciplinary Commission

By: <u>/s/ Morgan B. Handwerker</u>
Morgan B. Handwerker

Morgan B. Handwerker Mattthew D. Lango Counsel for Administrator One Prudential Plaza 130 E. Randolph Drive, Suite 1500 Chicago, Illinois 60601

Telephone: (312) 565-2600 Email: mhandwerker@iardc.org Email: ARDCeService@iardc.org

4915-1223-8134, v. 2