

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

In the Matter of:

KATHERINE A. PATERNO,

Respondent,

No. 6256503.

Commission No. 2024PR00010

**ANSWER TO COMPLAINT**

Katherine A. Paterno, Respondent, by her attorney, Stephanie Stewart, of Robinson, Stewart, Montgomery & Doppke LLC, answers the complaint filed by the Administrator in this matter, as follows:

DISCLOSURE PURSUANT TO COMMISSION RULE 231

- a. Respondent is licensed before the U.S. District Court for the Northern District of Illinois and her license has never been subject to discipline.
- b. Respondent maintains a real estate license that has never been subject to discipline.

COUNT I

1. At all times alleged in this complaint, Respondent was a sole practitioner and the sole owner of a law firm styled as Paterno Law Office, LLC, which was located in Burr Ridge, and which concentrated its practice in real estate and employment matters. Respondent was also a licensed notary.

**ANSWER: Admitted excepting that Respondent's law firm's concentration was a general practice.**

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ARDC Clerk

2. [1] On or about October 1, 2006, Respondent's father Phillip Kardasz ("Phillip") executed a final will and documents establishing a living trust. [2] The final will was entitled "Last Will of Phillip G. Kardasz" (Phillip's Will"). [3] Phillip's Will provided that upon his death, all of his property would be distributed to his living trust. [4] The living trust was titled the "Phillip G. Kardasz Living Trust, dated October 1, 2006." [5] Phillip subsequently amended the Trust on August 5, 2008 and on August 27, 2011 (collectively, "Phillip's Trust"). [6] Phillip's Trust named Phillip's wife Betty Kay Kardasz ("Kay") or an individual named Robert Siemers as sole trustee of the Phillip's Trust upon his death.

**ANSWER: Admitted that Phillip Kardasz executed his final estate documents on Oct. 1, 2006 that included a living trust titled the "Phillip G. Kardasz Living Trust, dated October 1, 2006" ("Trust") and his pour-over will entitled the "Last Will and Testament of "Phillip G. Kardasz" ("Will") and that Phillip Kardasz amended his Trust, including on Aug. 5, 2008 and on Aug. 27, 2011. The remaining allegations and last sentence of paragraph 2 are denied. In further answering, the Phillip G. Kardasz Living Trust, dated Oct. 1, 2006, named Betty Kay Kardasz and Kay's brother Robert Siemers, replacing Katherine Kardasz Paterno, as co-trustees of Phillip Kardasz's Trust.**

3. On September 12, 2017, Phillip and Kay caused to be recorded a quitclaim deed in trust in which they conveyed and quitclaimed a fifty-percent interest in their home located at 723 W. 67th place in Willowbrook ("the house") to Phillip's Trust. Phillip and Kay conveyed the remaining fifty-percent interest in the house in equal one-third shares to Kay's children Steven Day, Michael [sic] Day, and R. Patrick Day. The deed provided Kay with a life estate in the property, which permitted her the use of the property and any rents, revenues, or profits generated by the property for the term of her natural life.

**ANSWER: Denied that Phillip caused the quitclaim deed to be recorded or that he conveyed any interest in the house to anyone via the September 12, 2017 quitclaim deed that purported to give a 50% interest in the house to Kay's children; Phillip Kardasz did not sign the deed. Admitted that Kay caused the quitclaim deed to be recorded. In further answering, years later in 2021 a handwriting examiner determined that Phillip's signature was forged by Kay. The deed was prepared, notarized and recorded by Kay's attorney, but the attorney's billing records and Oct. 15, 2017 letter to Kay do not reflect any meeting between the attorney and Phillip. Kay's forgery required Phillip Kardasz to die first in order to secure his Trust's 50% interest in 723 67<sup>th</sup> Place.**

4. On or about July 5, 2020, Phillip died. Following Phillip's death, Respondent's relationship with Kay became acrimonious, and included Respondent alleging in court papers she filed in the Circuit Court of DuPage County that Kay had killed Phillip.

**ANSWER: The first sentence of paragraph 4 is admitted. Admitted that Respondent's relationship with Kay became acrimonious after September 1, 2020 for numerous reasons including but not limited to Kay's delay in the administration of Respondent's father's estate through the present, improper selling of her father's trust property, and later discovered apparent forgeries of Phillip's signature, including on the September 12, 2017 quitclaim deed. Additionally, on June 29, 2020, Kay without authority, and against Phillip Kardasz's stated direction that day, (and as he stated for the 4 years prior), to continue with his life-sustaining dialysis treatments (that he had gone to that morning), executed the hospice contract forcing a fully competent, conscious Phillip Kardasz into hospice and off dialysis which was the proximate cause of Phillip's death.**

5. On August 3, 2020, Respondent caused to be recorded a quit claim deed in trust pertaining to Phillip's and Kay's house, described in paragraph two, above, with the DuPage County Recorder. Respondent paid the filing fee for the recordation of the deed with check number 0600, drawn on her law firm bank account maintained at US Bank, and with an account number ending in 6855. The DuPage County Recorder accepted the deed for recordation, and assigned document number R2020-083277 to the deed. The deed listed as grantors Kay's sons Steven Day, Michael [sic] Day, and R. Patrick Day, who were grantees in the September 12, 2017 deed, described in paragraph three, above, and Kay's Trust as grantee.

**ANSWER: Admitted that on August 3, 2020, less than a month after Phillip's death and her brother Gregory Kardasz dying, Kay caused another quit claim deed to be recorded by giving Respondent the documents in her control and custody and directing Respondent to record the Dec. 15, 2017 deed (paragraph 6) and file Phillip's 2006 Will under which Respondent is a named personal representative. At the time, Respondent and Kay still maintained a good relationship based on Kay's relationship with Kay as her step-mother for over 30 years and Respondent loved and trusted Kay. Additionally, Kay's sons, Steven Day, Michael Day, and R. Patrick Day ("Patrick"), are not beneficiaries under Phillip's Trust nor to Phillip's 50% interest in 723 67th Place. Denied that Phillip Kardasz signed the deed or that his 50% interest was not in his Trust. Further denied each and every remaining allegation.**

6. Though Respondent recorded the quitclaim deed in trust with the DuPage County Recorder on August 3, 2020, the deed purported to be executed nearly three years earlier, on December 15, 2017. The deed stated that Respondent's law office prepared the deed, and Respondent, as notary, notarized the signatures of the grantors on the deed, who were Kay's sons

R. Patrick Day, Steven Day, and Michael [sic] Day, and the signature of Kay, whose trust was the grantee on the deed. Respondent's signature, the date of December 15, 2017, and Respondent's notary stamp appeared immediately below a paragraph on the last page of the deed that stated as follows:

I, the undersigned, a Notary Public in and for said County, in the state aforesaid state, do hereby certify that Steven A. Day, R. Patrick Day, and Michael [sic] Day, sons of Betty K. Kardasz are personally known to me to be the same person whose name is subscribed in the forgoing instrument, appeared before me this day in person and acknowledged that each individual signed said instrument as his free and voluntary act for the uses and purposes therein set further.

**ANSWER: Admitted that the deed was recorded at the direction of Kay. As to the language of the deed, the document serves as the best evidence thereof, but deny that Respondent or Paterno Law Offices, LLC prepared the December 15, 2017 deed, with the deed being returned to Kay not Paterno Law Offices, LLC. In further answering, December 15, 2017, Kay and her sons, Steven and Patrick, brought the already prepared deed to Respondent's house next door and requested that she notarize it. Micheal's purported signature already appeared on the deed, and Kay, Steven and Patrick represented to Respondent that they had seen Micheal sign the deed before he died. Respondent reviewed Micheal's signature only and Steven and Patrick signed the deed in Respondent's presence before notarizing. At the time, Respondent trusted the representations of Kay, Steven, and Patrick that Micheal had signed the deed based on the close and familial relationship between Respondent, Kay and her step-brothers for over 30 years. Additionally, Respondent was familiar with and Micheal's signature and, at the time, it appeared to Respondent to be Micheal's signature since she had notarized it before when she witnessed him sign. The quit claim deed benefitted Kay and her children – not Respondent – as it changed Kay's 50%**

**interest in 723 67th Place from Kay's three sons back to Kay's new 2017 trust. By that time, Micheal's son, Tim Day, had potential liability in relation to a multi-million dollar personal injury lawsuit filed days before involving a car accident on November 15, 2017, by Tim's employee that killed 4 people. Kay and her sons had an interest in protecting their assets from the pending judgment.**

7. Respondent's statement in the deed she recorded on August 3, 2020, described in paragraph six, above, that R. Patrick Day, Steven Day, and Michael Day appeared before her to sign the deed as witnesses, was false. Michael Day could not have been present to execute the deed on December 15, 2017 because he died on November 13, 2015, over 21 months prior to the date Respondent falsely certified that Michael Day appeared before her to execute the deed.

**ANSWER: Admitted that the notary language on the deed that Kay asked her to record on August 3, 2020 was incorrect in that Micheal did not appear before her in person. Denied that Respondent prepared or read the deed or that she "falsely certified" that Micheal appeared before her. Additionally, Respondent was only asked to notarize the signatures, witnessing Steven and Patrick sign, and erroneously believed she could notarize the third (Micheal) based on representations by her step-mother and step-brothers (Kay, Steven and Patrick), and her familiarity with Micheal's signature.**

8. Respondent knew her statement described in paragraph six, above, was false because she personally notarized the purported signatures of the Days when Michael Day was not present before her. Respondent further knew when she recorded the deed on August 3, 2020 that the deed contained a false statement of fact, namely, that Michael Day had appeared before her to execute the deed, when in fact he did not.

**ANSWER: Admitted that when Respondent notarized the signature of Micheal at the direction of Kay and based on the representations of her step-mother and brothers, Kay, Patrick, and Steven, that Micheal had signed the deed, the notary language, which Respondent did not draft nor read, incorrectly stated that Micheal had appeared before her. The remaining allegations of paragraph 8 are denied.**

9. By reason of the conduct described above, Respondent has engaged in the following misconduct:

- a. making a false statement of material fact or law to a third person, by conduct including recording the December 15, 2017 deed with the DuPage County Recorder which falsely stated that Michael [sic] Day had executed the December 15, 2017 deed, in violation of Rule 4.1(a) of the Illinois Rules of Professional Conduct (2010); and
- b. engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation, by conduct including falsely certifying that Michael [sic] Day executed the deed on December 15, 2017, and by recording that deed with the DuPage County Recorder on August 3, 2020 knowing the deed to contain the false statement that Michael [sic] Day appeared before Respondent to execute the deed.

**ANSWER: As paragraph 9 alleges conclusions of law, no answer is required. To the extent that any answer is deemed required, the allegations of Paragraph 9 including subparagraphs a & b are denied. In further answering, Respondent is remorseful and regrets that she relied on the representations stated by Kay, Patrick, and Steven, her step family, in complying with Kay's request to notarize the deed and Kay's direction to record the December 15, 2017 deed and file Phillip Kardasz's Will on August 3, 2020. Respondent is no longer a notary and is no longer practicing law except in relation to the current lawsuit involving the administration of her father Phillip Kardasz's trust.**

**AFFIRMATIVE DEFENSE**

Respondent did not act with any dishonest or fraudulent intent, but instead mistakenly notarized the document based on the representations of Kay, Steven and Patrick that Micheal signed the deed and the belief that she could rely on their representations.

WHEREFORE, Respondent respectfully requests that the Panel dismiss the complaint with prejudice and for any other relief it deems just.

Respectfully submitted,  
Katherine A. Paterno

By: /s/ Stephanie Stewart  
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