

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

FILED
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ARDC Clerk

In the Matter of:

DANIEL GORDON PARSONS,

Attorney-Respondent,

No. 6208665.

Commission No. 2021PR00103

COMPLAINT

Jerome Larkin, Administrator of the Attorney and Registration and Disciplinary Commission, by his attorney, Richard Gleason, pursuant to Supreme Court Rule 753(b), complains of Respondent Daniel Gordon Parsons, who was licensed to practice law in Illinois on May 7, 1992, and alleges that Respondent has engaged in the following conduct, which subjects Respondent to discipline pursuant to Supreme Court Rule 770:

COUNT 1

(Conversion of \$69,759.56 of client funds)

1. At all times alleged in this complaint, Respondent was the sole owner of Parsons Law, P.C., which was located in Geneva, and was the sole attorney operating and providing services as part of that entity. Respondent practiced primarily in probate matters.

2. Ulo Motus (“Mr. Motus”) died intestate on March 24, 2014. Mr. Motus did not have a spouse or any children, but he had heirs living in the United States, Estonia, and Ukraine. On March 28, 2014, Mr. Motus’s friend and former employer filed a Petition for Letters of Administration in the Circuit Court of Kane County seeking that an attorney named Michael Boylan be named independent administrator of Mr. Motus’s estate, which consisted of real and personal property having a total approximate value of \$1,250,000. The Clerk of the Circuit Court

of Kane County docketed the case 14 P 175. On April 1, 2014, the court appointed Michael Boylan the administrator of the estate.

3. On December 22, 2017, the probate court entered an order of heirship in case 14 P 175 that declared Vaino Laidvee, Henn Laidvee, and Andres Laidvee (“the Laidvee heirs”) to be heirs of Mr. Motus. The order did not recognize Silvia Schevchenko, Ingrid Ohakas, Marika Joots, Mati Palmet, or Viive Jervson (“the Ohakas heirs”), and the Laidvee heirs contested the Ohakas heirs’ claims to a portion of the *Motus* estate.

4. On or about August 9, 2018, during the pendency of the administration of the estate, Respondent and the Ohakas heirs agreed that Respondent would represent the Ohakas heirs in asserting any rights they may have had in relation to the *Motus* estate. Respondent and the Ohakas heirs agreed that the Ohakas heirs would provide Respondent with a \$5,000 retainer, and that Respondent’s receipt of any additional fee would be contingent upon the Ohakas heirs receiving an award or settlement from the estate. The Ohakas heirs and Respondent further agreed that if there were an award or settlement from the estate, Respondent would receive 15% of any recovery from the estate as his fee, less the \$5,000 retainer provided by the Ohakas heirs. In their written engagement agreement with Respondent, the Ohakas heirs had agreed to split the remaining funds evenly between themselves.

5. On August 28, 2018, Respondent filed his appearance in case 14 P 175 on behalf of the Ohakas heirs. On or about April 24, 2019, the Ohakas heirs agreed to a settlement with the estate for a total settlement of \$285,000. In partial fulfillment of his administrative duties, Mr. Boylen withheld 30% of the settlement funds in order to pay inheritance taxes to the Internal Revenue Service, leaving a balance of \$199,500 to be divided between Respondent and his clients. As a result of his fee agreement with the Ohakas, referenced in paragraph four, above, Respondent

had a contractual claim to no more than \$37,750 of the recovery, which was 15% of the \$285,000 recovery, less the \$5,000 retainer fee he had previously received, and the Ohakas heirs were to receive the remaining \$161,750. Respondent did not prepare a settlement distribution statement stating the outcome of the matter, the remittance to the Ohakas heirs, or the method of its determination.

6. On or about April 29, 2019, Mr. Boylen sent check number 11148954 in the amount of \$199,500 to Respondent. The proceeds of that check represented the net recovery from the settlement of the Ohakas heirs' claims against the *Motus* estate. On April 30, 2019, Respondent deposited the check into his client trust account at Fifth Third Bank, with an account number ending in the four digits 4560 (hereinafter "client trust account"). The account was entitled "Law Office of Daniel Parsons" and was used by Respondent as a depository of funds belonging to Respondent's clients, third parties, or, presently or potentially, to Respondent.

7. On or about April 29, 2019, Respondent wrote check number 2320 on the client trust account, payable to himself, in the amount of \$45,600. Respondent wrote the check for payment of his fee, even though he was contractually entitled to no more than \$37,750 as his fee, as described in paragraphs four and five, above. On the memo line of the check, Respondent wrote "Motus." On or about May 2, 2019, Respondent negotiated check number 2320, and Respondent received and later used for his own purposes the proceeds of the check.

8. Between May 1, 2019 and July 31, 2020, Respondent electronically transferred \$198,441.25 from Account 4560 to his business checking account at Fifth Third Bank with an account number ending in the last four digits 7788 ("business account"), which included funds due to the Ohakas heirs. The account was entitled "Law Office of Daniel Parsons," and was used by Respondent as a depository for funds belonging to Respondent. Between May 1, 2019 and July

31, 2020, following his distributions of the Ohakas heirs' funds from his business account, as described below, Respondent withdrew cash from his business account, paid his car note from his business account, and paid monthly payroll from business account, among other personal and business expenses.

9. Respondent made no distribution to the Ohakas heirs until December 22, 2019. Between December 22, 2019 and July 27, 2020, when Respondent made the last distribution to the Ohakas heirs, Respondent distributed a total of \$91,800 in settlement proceeds to the Ohakas heirs. Therefore, as of July 27, 2020, Respondent was required to maintain at least \$69,950 in his client trust account on behalf of the Ohakas heirs.

10. On April 2, 2020, the Ohakas heirs demanded immediate payment of their settlement funds, and asked Respondent to provide them with an accounting of those funds. As of December 17, 2021, the date the members of Panel C of the Commission's Inquiry Board voted to authorize the Administrator to file this complaint, Respondent had yet to provide the Ohakas heirs with an accounting.

11. On July 2, 2020, Respondent drew the balance in his client trust account to \$190.44 by drawing checks on the account, or making other transfers, in payment of his personal or business obligations.

12. As of July 2, 2020, Respondent had used \$69,759.56 of the Ohakas heirs' funds for his own personal or business purposes, which included the overpayment of fees in the amount of \$7,850 he made to himself, referenced in paragraph seven, above, without notice to, or authority from, the Ohakas heirs. Respondent's use of those funds constitutes conversion. At the time Respondent engaged in conversion of those funds, Respondent knew that he was using the funds for his own personal or business purposes, and, in doing so, he acted dishonestly.

13. As of September 17, 2020, Respondent drew the balance in his business account to - \$272.36 by drawing checks on the account, or making other transfers, in payment of his personal or business obligations.

14. As of the December 17, 2022, the date the members of Panel C of the Commission's Inquiry Board voted to authorize the Administrator to file this complaint, Respondent had yet to distribute \$69,950 to the Ohakas heirs.

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

- a. failure to 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, by conduct including causing the balance in Account 4560 to fall below the amount belonging to the Ohakas heirs on July 2, 2020, thereby converting a total of \$69,759.56 that belonged to the Ohakas heirs for his own personal or business purposes, in violation of Rule 1.15(a) of the Illinois Rules of Professional Conduct (2010);
- b. failure to promptly deliver to the client or third person funds that the client or third person is entitled to receive and failure to provide an accounting of those funds, by conduct including failing to promptly distribute \$69,750 in settlement funds the Ohakas heirs were entitled to receive and failing to provide the Ohakas heirs with an accounting of those funds, in violation of Rule 1.15(d) of the Illinois Rules of Professional Conduct (2010);
- c. conduct involving dishonesty, fraud, deceit, or misrepresentation, by conduct including knowingly using a total of \$69,759.56 of the Ohakas heirs' funds for his own personal or business purposes, without authority, in violation of Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

WHEREFORE, the Administrator requests that this matter be referred to a panel of the Hearing Board of the Commission, that a hearing be conducted, and that the Hearing Panel make findings of fact, conclusions of fact and law, and a recommendation for such discipline as is warranted.

Respectfully Submitted

Jerome Larkin, Administrator
Attorney Registration and
Disciplinary Commission

By: /s/ Richard Gleason
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