

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

**FILED**

January 20, 2022

**ARDC CLERK**

In the Matter of: )  
 )  
GEORGE LOUIS ACOSTA, )  
 )  
Respondent, ) No. 2021PR00037  
 )  
No. 6200430. )

**AMENDED ANSWER TO COMPLAINT**

George Louis Acosta, Respondent, by his attorneys, Thomas P. McGarry and Katherine G. Schnake, and for his Amended Answer to Jerome Larkin's, Administrator of the Attorney and Registration and Disciplinary Commission, Complaint, states as follows:

COUNT 1

*(Conversion of \$18,452.42 of Client Funds – Maria Garcia Flores)*

1. On September 24, 2017, Maria Garcia Flores ("Garcia Flores") was involved in a motor vehicle collision in Aurora, Illinois. As a result of the collision, Garcia Flores sustained injuries and incurred medical expenses.

**ANSWER:** Respondent admits the allegations contained in paragraph 1.

2. On October 17, 2017, Respondent and Garcia Flores agreed that Respondent would represent Garcia Flores in matters relating to the incident referred to in paragraph one, above. Respondent and Garcia Flores agreed that Respondent's receipt of a fee would be contingent upon Garcia Flores receiving an award or settlement, and that Respondent would receive one-third of any recovery from the responsible party or their insurer as his fee, plus any costs or expenses that he incurred.

**ANSWER:** Respondent admits that on October 19, 2017, he and Garcia Flores agreed that Respondent would represent Garcia Flores in matters relating to the incident referred to in paragraph one, that Respondent's receipt of a fee would be contingent upon Garcia Flores receiving an award or settlement, and that Respondent would receive one-third of any recovery

from the responsible party or their insurer as his fee, plus any costs or expenses that he incurred.

Respondent denies the remaining allegations contained in paragraph 2.

3. After commencing his representation of Garcia Flores, Respondent submitted medical pay benefits ("MedPay") claims to Allstate, the insurance carrier for the owner of the automobile Garcia Flores was driving at the time of the September 24, 2017 collision. The MedPay claims Respondent submitted to Allstate were for medical charges incurred by Garcia Flores for treatment of her injuries sustained in the collision.

**ANSWER:** Respondent admits the allegations contained in paragraph 3.

4. On January 26, 2018, Allstate, in partial payment of Garcia Flores's MedPay claims, issued nine separate checks payable to Respondent's law firm and Garcia Flores amounting to a total of \$14,475.84.

**ANSWER:** Respondent admits the allegations contained in paragraph 4.

5. On February 2, 2018, Respondent deposited the nine checks referenced in paragraph four, above, into his client trust account at Chase Bank, with an account number ending in the four digits 2313 (hereinafter "Account 2313"). The account was entitled "George L. Acosta, LTD IOLTA Trust Account," and was used by Respondent as a depository of funds belonging to Respondent's clients, third parties, or, presently or potentially, to Respondent.

**ANSWER:** Respondent admits the allegations contained in paragraph 5.

6. On February 3, 2018, Respondent wrote check number 3152 on Account 2313, payable to the order of Maria Garcia Flores, in the amount of \$2,000. On the memo line of check number 3152, Respondent wrote "Advance on net settlement proceeds from MedPay."

**ANSWER:** Respondent admits the allegations contained in paragraph 6.

7. On February 8, 2018, Garcia Flores, or someone on her behalf, negotiated check number 3152, and Garcia Flores received \$2,000.

**ANSWER:** Respondent admits the allegations contained in paragraph 7.

8. On May 15, 2018, Allstate, in partial payment of Garcia Flores's MedPay claims, issued two additional checks payable to Respondent's law firm and Maria Mejia, Garcia Flores's maiden name, amounting to a total of \$5,976.75.

**ANSWER:** Respondent admits the allegations contained in paragraph 8.

9. On May 21, 2018, Respondent deposited the two checks referenced in paragraph 8, above, into Account 2313.

**ANSWER:** Respondent admits the allegations contained in paragraph 9.

10. As of June 5, 2018, as a result of the transactions referenced in paragraphs four through nine, above, Respondent had deposited a total of \$20,452.59 in MedPay benefits checks relating to Garcia Flores into Account 2313, and had disbursed a total of \$2,000 of those MedPay funds to Garcia Flores. As of June 5, 2018, Respondent had not made any additional disbursements of Garcia Flores's MedPay funds to Garcia Flores or to any lienholders on her behalf and, therefore, as of June 5, 2018, Respondent was required to maintain at least \$18,452.59 in Account 2313 on behalf of Garcia Flores or lienholders.

**ANSWER:** Respondent denies he was required to maintain at least \$18,452.59 in Account 2313 on behalf of Garcia Flores or lienholders because he believes he was entitled to draw a portion of that sum as his fees for services rendered in recovery of the MedPay benefits relating to Garcia Flores's personal injury claims. Respondent admits that he was required to maintain at least \$11,635.06 in Account 2313 on behalf of Garcia Flores or lienholders and admits the remaining allegations contained in paragraph 10.

11. On June 5, 2018, Respondent drew the balance in Account 2313 to \$0.17 by drawing checks on the account, or making other transfers, in payment of his personal or business obligations.

**ANSWER:** Respondent admits the allegations contained in paragraph 11.

12. As of June 5, 2018, Respondent had used \$18,452.42 of Garcia Flores's funds for his own personal or business purposes, without notice to, or authority from, Garcia Flores or Allstate. Respondent's use of those funds constitutes conversion.

**ANSWER:** Respondent admits that as of June 5, 2018, he had used a portion of Garcia Flores's funds for his own personal or business purposes, without notice to, or authority from, Garcia Flores or Allstate, but denies that the sum of Garcia Flores's funds was \$18,452.52. Respondent restates and incorporates his answer to paragraph 10. Respondent denies the pleading of a legal conclusion that he engaged in conversion. Conversion is not a violation of the Rules of Professional Conduct in accordance with the mandate of *In re Karavidas*, 2013 IL 11567. Respondent denies the remaining allegations contained in paragraph 12.

13. 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.

**ANSWER:** Respondent denies the allegations contained in paragraph 13.

14. 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 2313 to fall below the amount belonging to Maria Garcia Flores on June 5, 2018, thereby converting a total of \$18,452.42 that belonged to Garcia Flores or Allstate for his own personal or business purposes, 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 using a total of \$18,452.42 of Garcia Flores's 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).

**ANSWER:** Respondent admits that he failed to hold property of clients that was in his possession in connection with a representation separate from the his own property as required by Rule 1.15(a), and caused the balance in Account 2313 to fall below the amount belonging to Maria Garcia Flores on June 5, 2018 for his own personal or business purposes. Respondent denies each and every remaining allegation contained in paragraph 14.

## COUNT II

*(Conversion of \$6,732.83 of client and funds – Ben Evangelista)*

15. On February 6, 2017, Ben Evangelista ("Evangelista") was involved in bicycle collision in Algonquin, Illinois. As a result of the collision, Evangelista sustained injuries and incurred medical expenses.

**ANSWER:** Respondent admits the allegations contained in paragraph 15.

16. In or about 2017, Respondent and Evangelista agreed that Respondent would represent Evangelista in matters relating to the incident described in paragraph 15, above. Respondent and Evangelista agreed that Respondent's receipt of a fee would be contingent upon Evangelista receiving an award or settlement from the responsible party or their insurer, and that Respondent Allstate would receive one-third of any recovery as his fee, plus any costs and expenses that he incurred.

**ANSWER:** Respondent admits that in or about 2017, Respondent and Evangelista agreed that Respondent would represent Evangelista in matters relating to the incident described in paragraph 15, above. Respondent further admits that he and Evangelista agreed that Respondent's receipt of a fee would be contingent upon Evangelista receiving an award or settlement from the responsible party or their insurer, and that Respondent would receive one-third of any recovery as his fee, plus any costs and expenses that he incurred. Respondent denies the remaining allegations contained in paragraph 16.

17. On or about August 9, 2018, Evangelista and the at-fault driver agreed to a settlement of the matters referenced in paragraph 15, above, for a total settlement amount of \$234,534.44. Pursuant to the representation agreement referenced in paragraph 16, above, Respondent was entitled to receive no more than \$78,178.15 as his legal fee, plus an additional \$222.86 as reimbursement for costs or expenses relating to the representation, and Evangelista and lienholders were entitled to the remaining \$156,133.43.

**ANSWER:** Respondent admits the allegations contained in paragraph 17.

18. On August 9, 2018, American Family Insurance, the at-fault driver's insurance carrier, issued check number 0000769932, which had been made payable to the order of Respondent's law firm and Evangelista in the amount of \$234,534.44.

**ANSWER:** Respondent admits the allegations contained in paragraph 18.

19. On August 13, 2018, Respondent deposited check 0000769932, referenced in paragraph 18, above, into Account 2313. Respondent was required to maintain at least \$156,133.43, which was the amount of the recovery less Respondent's fees and expenses, in Account 2313 until he made disbursement of Evangelista's settlement proceeds to Evangelista and to any lienholders in satisfaction of liens.

**ANSWER:** Respondent admits the allegations contained in paragraph 19.

20. On August 22, 2018, Respondent wrote check number 3179 on Account 2313, payable to the order of Evangelista in the amount of \$80,000. On the memo line on check number 3179, Respondent typed "B. Evangelista – Interim Distribution of net proceeds." On or about August 24, 2018, Evangelista, or someone on his behalf, negotiated check number 3179, and Evangelista received \$80,000 of his settlement proceeds.

**ANSWER:** Respondent admits the allegations contained in paragraph 20.

21. On September 14, 2018, Respondent wrote check number 3181 on Account 2313, payable to the order of Blue Cross Blue Shield, in the amount of \$120.72. On the memo line,

Respondent typed "Event #13387366 – Ben Evangelista subro, lien pay." Blue Cross Blue Shield was Evangelista's health insurance provider, and possessed an insurance subrogation lien in the amount of \$120.72 on Evangelista's settlement proceeds.

**ANSWER:** Respondent admits the allegations contained in paragraph 21.

22. As of September 28, 2018, following the distributions described in paragraphs 20 and 21, above, Respondent had not distributed \$76,012.71 of Evangelista's settlement proceeds to Evangelista and any remaining lienholders and, therefore, was required to maintain at least \$76,012.71 in Account 2313 on behalf of Evangelista and the remaining lienholders. However, on September 28, 2018, Respondent drew the balance in Account 2313 to \$69,279.88 by drawing checks on the account, or making other transfers, in payment of his personal or business obligations.

**ANSWER:** Respondent admits that as of September 28, 2018, following the distributions described in paragraphs 20 and 21, above, Respondent had not distributed \$76,012.71 of Evangelista's settlement proceeds to any remaining lienholders and, therefore, was required to maintain at least \$76,012.71 in Account 2313 on behalf of the remaining lienholders. Respondent admits that on September 28, 2018, Respondent drew the balance in Account 2313 to \$69,279.88 by drawing checks on the account, or making other transfers, in payment of his personal or business obligations. Respondent denies the remaining allegations contained in paragraph 22.

23. As of September 28, 2018, as a result of the transactions referenced in paragraph 22, above, Respondent had used \$6,732.83 of Evangelista's remaining settlement proceeds for his own personal and business purposes, without notice to, or authority from, Evangelista or any remaining lienholders. Respondent's use of those funds constitutes conversion.

**ANSWER:** Respondent admits the factual allegations contained in paragraph 23 but denies to the pleading of a legal conclusion that he engaged in conversion. Conversion is not a violation of the Rules of Professional Conduct in accordance with the mandate of *In re Karavidas*, 2013 IL 11567. Respondent denies the remaining allegations contained in paragraph 23.

24. At the time Respondent engaged in the 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.

**ANSWER:** Respondent denies the allegations contained in paragraph 24.

25. 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 2313 to fall below the amount then belonging to Ben Evangelista on September 28, 2018, thereby converting a total of \$6,732.83 that belonged to Evangelista and remaining lienholders for his own personal or business purposes, 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 using a total of \$6,732.83 of settlement funds that belonged to Ben Evangelista for his own personal and business purposes, without authority, in violation of Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

**ANSWER:** Respondent admits that he failed to hold property of third persons that was in his possession in connection with a representation separate from his own property as required by Rule 1.15(a), and caused the balance in Account 2313 to fall below the amount then belonging to lienholders on September 28, 2018 for his own personal or business purposes. Respondent denies each and every remaining allegation contained in paragraph 25.

### COUNT III

*(Conversion of \$39,000 of client funds – Sammy Awad)*

26. On or about March 4, 2016, Sammy Awad ("Awad"), a minor, was involved in an automobile collision in unincorporated Kane County, Illinois. As a result of the collision, Awad sustained injuries and incurred medical expenses.

**ANSWER:** Respondent admits the allegations contained in paragraph 26.

27. In 2017, Respondent and Awad's parents agreed that Respondent would represent Awad in matters relating to the incident described in paragraph 26, above. Respondent and Awad's parents agreed Respondent's receipt of a fee would be contingent upon Awad receiving an

award or settlement from the responsible parties and their insurers, and that Respondent would receive one-third of any recovery as his fee, plus any costs and expenses that he incurred.

**ANSWER:** Respondent admits that in 2017, Respondent and Awad's parents agreed that Respondent would represent Awad in matters relating to the incident described in paragraph 26, above. Respondent further admits that he and Awad's parents agreed Respondent's receipt of a fee would be contingent upon Awad receiving an award or settlement from the responsible parties and their insurers. Respondent denies that said agreement was for one-third of any recovery and denies the remaining allegations contained in paragraph 27.

28. On or about October 11, 2018, Awad and the at-fault driver agreed to a settlement of the matter referenced in paragraph 26, above, for a total settlement amount of \$117,000.00. Comprising the settlement amount was \$102,000 from the at-fault driver's insurance carriers, and \$15,000 from the at-fault driver personally. The handling of the settlement funds was subject to the Kane County Circuit Court's approval, as Awad was a minor. Pursuant to the court's order approving the settlement in case number 17 L 90, \$7,276.32 were to be paid to medical lienholders which had treated Awad for injuries Awad sustained in the incident referenced in paragraph 26, above, Respondent was entitled to receive \$29,250.00 as his legal fee, plus an additional \$1,403.68 as reimbursement for costs or expenses related to the representation, and Awad was entitled to the remaining \$79,070.00.

**ANSWER:** Respondent admits that on or about October 11, 2018, Awad and the at-fault driver agreed to a settlement of the matter referenced in paragraph 26, above, for a total settlement amount of \$117,000.00. Respondent admits that comprising the settlement was a total of \$15,000 from the at-fault driver personally. Respondent admits that the handling of the settlement funds was subject to the Kane County Circuit Court's approval, as Samy Awad was a minor. Respondent admits that pursuant to the court's order approving the settlement in case number 17 L 90, \$7,276.32 were to be paid to medical lienholders which had treated Awad for injuries Awad sustained in the incident referenced in paragraph 26, above, Respondent was entitled to receive \$29,250.00 as his legal fee, plus an additional \$1,403.68 as reimbursement for costs or expenses related to the representation, and Awad was entitled to the remaining \$79,070.00. Respondent denies the remaining allegations contained in paragraph 28.



29. On October 23, 2018, State Farm, one of the at-fault driver's insurance carriers referenced in paragraph 28, above, issued check number 101120038J, which had been payable to the order of Respondent's law firm and Awad's parents in the amount of \$100,000.

**ANSWER:** Respondent admits the allegations contained in paragraph 29.

30. On October 29, 2018, Respondent deposited check 101120038J, referenced in paragraph 29, above, into Account 2313.

**ANSWER:** Respondent admits the allegations contained in paragraph 30.

31. On October 22, 2018, Travelers, another of the at-fault driver's insurance carriers referenced in paragraph 28, above, issued check number 89719921, which had been made payable to the order of Respondent's law firm and Awad's parents in the amount of \$2,000.

**ANSWER:** Respondent admits that on October 22, 2018, Travelers issued check number 89719921, which had been made payable to the order of Respondent's law firm and Awad's parents in the amount of \$2,000. Respondent denies that Travelers was the insurer of the at-fault driver and denies the remaining allegations contained in paragraph 31.

32. On November 1, 2018, Respondent deposited check 89719921, referenced in paragraph 31, above, into Account 2313.

**ANSWER:** Respondent admits the allegations contained in paragraph 32.

33. On November 11, 2018, the at-fault driver issued check 2250, which had been made payable to the order of Respondent's law firm and Awad's parents in the amount of \$10,000.

**ANSWER:** Respondent admits that on November 12, 2018, the at-fault driver issued check 2250, which had been made payable to the order of Respondent's law firm and Awad's parents in the amount of \$10,000. Respondent denies the remaining allegations contained in paragraph 33.

34. On November 19, 2018, Respondent deposited check number 2250, referenced in paragraph 33, above, into Account 2213.

**ANSWER:** Respondent admits the allegations contained in paragraph 34.

35. On December 26, 2018, the at-fault driver issued check number 2258, which had been made payable to the order of Respondent's law firm and Awad's parents in the amount of \$5,000.

**ANSWER:** Respondent admits the allegations contained in paragraph 35.

36. On December 31, 2018, Respondent deposited check number 2258, referenced in paragraph 35, above, into Respondent's operating account at Chase Bank, which ended in the four digits 7580 ("Account 7580"). The account was entitled "George L. Acosta, LTD" and was an account into which Respondent deposited business and operating funds and from which Respondent paid business and operating expenses.

**ANSWER:** Respondent admits the allegations contained in paragraph 36.

37. As of February 14, 2018, as a result of the transactions described in paragraphs 29 through 34, above, Respondent had deposited a total of \$112,000 into Account 2213, and as a result of the transactions described in paragraphs 35 through 36, above, had deposited a total of \$5,000 into Account 7580. From those amounts, Respondent paid \$7,276.32 to the lienholders, and, after his December 31, 2018 deposit of \$5,000 into Account 7580 referenced in paragraph 36, above, was entitled to no more than an additional \$25,653.68 as his fee and as reimbursement for expenses, leaving a total of \$79,070.00 to be distributed to Awad. As of that date, Respondent had not distributed any settlement proceeds to Awad's parents and, therefore, was required to maintain at least \$79,070.00 in Account 2313 on behalf of Awad. However, on February 14, 2019, Respondent drew the balance in Account 2313 to \$40,070.00 by drawing checks on the account, or making other transfers, in payment of his personal or business obligations.

**ANSWER:** Respondent denies that the events alleged in paragraph 37 occurred in 2018. Respondent further denies that as of February 14, 2019, he was entitled to an additional \$25,653.68 as his fee and as reimbursement for expenses. Respondent admits the remaining allegations contained in paragraph 37.

38. As of February 14, 2019, Respondent had used \$39,000 of Awad's settlement proceeds for his own personal or business purposes without notice to, or authority from, Awad or Awad's parents. Respondent's use of those funds constitutes conversion.

**ANSWER:** Respondent admits the factual allegations contained in paragraph 38 but denies to the pleading of a legal conclusion that he engaged in conversion. Conversion is not a violation of the Rules of Professional Conduct in accordance with the mandate of *In re Karavidas*, 2013 IL 11567. Respondent denies the remaining allegations contained in paragraph 38.

39. At the time Respondent engaged in the 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.

**ANSWER:** Respondent denies the allegations contained in paragraph 39.

40. 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 2313 to fall below the amount then belonging to Samy Awad on February 14, 2019, thereby converting a total of \$39,000 that belonged to Samy Awad for his own personal or business purposes, 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 using a total of \$39,000 of Samy Awad's settlement 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).

**ANSWER:** Respondent admits that he failed to hold property of clients that was in his possession in connection with a representation separate from the his own property as required by Rule 1.15(a), and caused the balance in Account 2313 to fall below the amount then belonging to Samy Awad on February 14, 2019 for his own personal or business purposes. Respondent denies each and every remaining allegation contained in paragraph 40.

#### COUNT IV

(Conversion of \$3,854.10 client funds – Jennifer Bomicino)

41. On January 26, 2018, Jennifer Bomicino ("Bomicino") was involved in an incident at a Jewel Osco store located in Elgin, Illinois. As a result of the incident, Bomicino sustained injuries and medical expenses.

**ANSWER:** Respondent admits the allegations contained in paragraph 41.

42. On November 9, 2018, Respondent and Bomicino agreed that Respondent would represent Bomicino in matters relating to the incident at Jewel Osco, referenced in paragraph 41, above. Respondent and Bomicino agreed that Respondent's receipt of a fee would be contingent upon Bomicino receiving a settlement or award from Jewel Osco or its insurers, and that

Respondent would receive one-third of any recovery as his fee, plus any costs or expenses that he incurred.

**ANSWER:** Respondent admits the allegations contained in paragraph 42.

43. On or about June 11, 2019, Bomicino and Jewel Osco agreed to a settlement in relation to the claim arising out of the January 26, 2018 incident, referenced in paragraph 41, above, for a total settlement of \$100,000. Pursuant to the representation agreement referenced in paragraph 42, above, Respondent was entitled to receive no more than \$33,333.33 as his legal fee, plus an additional \$1,322.36 for any costs or expenses relating to the representation. Respondent agreed to reduce his fee to \$32,899.48, and distribute \$39,000 to Bomicino. Costco, Bomicino's employer which provided Bomicino disability benefits following the January 26, 2018 incident referenced in paragraph 41, above, asserted a subrogation lien on the settlement funds, claiming it was owed the remaining \$26,778.16.

**ANSWER:** Respondent admits the allegations contained in paragraph 43.

44. On June 14, 2019, Sedgwick, the insurance carrier for Jewel Osco, issued check number 02547207, which had been made payable to the order of Respondent's law firm and Bomicino in the amount of \$100,000.

**ANSWER:** Respondent admits the allegations contained in paragraph 44.

45. On June 18, 2019, Respondent deposited check number 02547207, referenced in paragraph 44, above, into Account 2313.

**ANSWER:** Respondent admits the allegations contained in paragraph 45.

46. On June 22, 2019, Respondent issued check number 3217 on Account 2313, payable to the order of Jennifer Bomicino in the amount of \$39,000.

**ANSWER:** Respondent admits the allegations contained in paragraph 46.

47. On June 24, 2019, Bomicino, or someone on her behalf, negotiated check number 3217, and Bomicino received her \$39,000 share of the settlement proceeds.

**ANSWER:** Respondent admits the allegations contained in paragraph 47.

48. As of July 30, 2019, following the distribution described in paragraph 47, above, Respondent had not distributed \$26,778.16 to the lienholder Costco, and, therefore, was required to maintain at least \$26,778.16 in Account 2313 on behalf of Bomicino for the benefit of the lienholder, Costco. However, on July 30, 2019, before making any disbursement to Costco in satisfaction of the lien, Respondent drew the balance in Account 2313 to \$22,924.06 by drawing checks on the account, or making other transfers, in payment of his business or personal obligations.

**ANSWER:** Respondent admits that as of July 30, 2019, following the distribution described in paragraph 47, above, Respondent had not distributed \$26,778.16 to the lienholder Costco, and, therefore, was required to maintain at least \$26,778.16 in Account 2313 for the benefit of the lienholder, Costco. Respondent further admits that on July 30, 2019, before making any disbursement to Costco in satisfaction of the lien, Respondent drew the balance in Account 2313 to \$22,924.06 by drawing checks on the account, or making other transfers, in payment of his business or personal obligations. Respondent denies the remaining allegations contained in paragraph 48.

49. As of July 30, 2019, Respondent had used \$3,854.10 of Bomicino's remaining settlement funds for his own personal or business purposes without notice to, or authority from, Bomicino or Costco. Respondent's use of those funds constitutes conversion.

**ANSWER:** Respondent admits the factual allegations contained in paragraph 49 but denies to the pleading of a legal conclusion that he engaged in conversion. Conversion is not a violation of the Rules of Professional Conduct in accordance with the mandate of *In re Karavidas*, 2013 IL 11567. Respondent denies the remaining allegations contained in paragraph 49.

50. At the time Respondent engaged in the 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.

**ANSWER:** Respondent denies the allegations contained in paragraph 50.

51. 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 2313 to fall below the amount then belonging to Bomicino, on July 30, 2019, thereby converting a total of \$3,854.10 that belonged to Bomicino for his own personal or business purposes, 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 using a total of \$3,854.10 of Bomicino's settlement 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).

**ANSWER:** Respondent admits that he failed to hold property of third persons that were in his possession in connection with a representation separate from his own property as required by Rule 1.15(a), and caused the balance in Account 2313 to fall below the amount then belonging to lienholders on July 30, 2019 for his own personal or business purposes. Respondent denies each and every remaining allegation contained in paragraph 51.

#### COUNT V

*(Conversion of \$4,499.51 of client funds – Loretta Colosi)*

52. On or about April 15, 2019, Loretta Colosi ("Colosi") was involved in a motor vehicle collision in Vernon Hills, Illinois. As a result of the collision, Colosi sustained injuries and incurred medical expenses.

**ANSWER:** Respondent admits the allegations contained in paragraph 52.

53. On April 30, 2019, Respondent and Colosi agreed that Respondent would represent Colosi in matters relating to the incident referenced in paragraph 52, above. Respondent and Colosi agreed that Respondent's receipt of a fee would be contingent upon Colosi receiving an award or settlement from the responsible party or their insurer, and that Respondent would receive one-third of any recovery as his fee, plus any costs or expenses he incurred.

**ANSWER:** Respondent admits the allegations contained in paragraph 53.

54. On July 18, 2019, Colosi and the at-fault driver agreed to a settlement of the claim arising out of the April 15, 2019 collision referenced in paragraph 52, above, for a total settlement of \$25,000. Pursuant to the representation agreement referenced in paragraph 53, above, Respondent was entitled to \$8,333.33 as his legal fee. However, Respondent agreed to reduce his fee to \$7,500, and waive reimbursement for costs and expenses. Colosi was entitled to \$7,500 of the settlement funds, and various lienholders were entitled to the remaining \$10,000.

**ANSWER:** Respondent admits the allegations contained in paragraph 54.

55. On August 8, 2019, Lighthouse Casualty, the at-fault driver's insurance carrier, issued check number 46112, which had been made payable to the order of Respondent's law firm and Colosi in the amount of \$25,000.

**ANSWER:** Respondent admits the allegations contained in paragraph 55.

56. On August 16, 2019, Respondent deposited check number 46112, referenced in paragraph 55, above, into Account 2313.

**ANSWER:** Respondent admits the allegations contained in paragraph 56.

57. On August 23, 2019, Respondent issued check number 3223 on Account 2313, payable to the order of Colosi in the amount of \$7,500.

**ANSWER:** Respondent admits the allegations contained in paragraph 57.

58. On August 27, 2019, Colosi, or someone on Colosi's behalf, negotiated check number 3223, referenced in paragraph 57, above, and Colosi received her \$7,500 share of the settlement proceeds. Following the payment, and taking into account Respondent's fees of \$7,500, Respondent continued to be entrusted with \$10,000 from the settlement proceeds that were due to Colosi's lienholders.

**ANSWER:** Respondent admits the allegations contained in paragraph 58.

59. On September 11, 2019, Respondent issued check number 3226 on Account 2313, payable to the order of Northwest Community Hospital in the amount of \$5,000. Northwest Community Hospital possessed a lien on Colosi's settlement funds arising from medical treatment it provided to Colosi as a result of the April 15, 2019 collision referenced in paragraph 52, above. In the memo line of check number 3226, Respondent typed "Colosi – N.W. Comm. Hosp. Lien pay-off."

**ANSWER:** Respondent admits the allegations contained in paragraph 59.

60. On or about September 18, 2019, Northwest Community Hospital, or someone on Northwest Community Hospital's behalf, negotiated check number 3226, referenced in paragraph 62, above.

**ANSWER:** Respondent admits the allegations contained in paragraph 60.

61. As of October 23, 2019, following the distributions described in paragraphs 57 and 59, above, Respondent had not distributed \$5,000 to remaining lienholders and, therefore, was required to maintain at least \$5,000 in Account 2313 on behalf of Colosi and remaining lienholders. However, on October 23, 2019, Respondent drew the balance in Account 2313 to \$500.49 by drawing checks on the account, or making other transfers, in payment of his business or personal obligations.

**ANSWER:** Respondent admits that as of October 23, 2019, following the distributions described in paragraphs 57 and 59, above, he had not distributed \$5,000 to remaining lienholders and, therefore, was required to maintain at least \$5,000 in Account 2313 on behalf of the

remaining lienholders. Respondent admits that on October 23, 2019, he drew the balance in Account 2313 to \$500.49 by drawing checks on the account, or making other transfers, in payment of his business or personal obligations. Respondent denies the remaining allegations contained in paragraph 61.

62. As of October 23, 2019, Respondent had used \$4,499.51 of Colosi's remaining settlement proceeds for his own personal or business purposes without notice to, or authority from, Colosi or remaining lienholders. Respondent's use of those funds constitutes conversion.

**ANSWER:** Respondent admits the factual allegations contained in paragraph 62 but denies to the pleading of a legal conclusion that he engaged in conversion. Conversion is not a violation of the Rules of Professional Conduct in accordance with the mandate of *In re Karavidas*, 2013 IL 11567. Respondent denies the remaining allegations contained in paragraph 62.

63. At the time Respondent engaged in the 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.

**ANSWER:** Respondent denies the allegations contained in paragraph 63.

64. 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 2313 to fall below the amount then belonging to Loretta Colosi on October 23, 2019, thereby converting a total of \$4,499.51 that belonged to Colosi for his own personal or business purposes, 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 using a total of \$4,499.51 of Loretta Colosi's settlement 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).



**ANSWER:** Respondent admits that he failed to hold property of third persons that was in his possession in connection with a representation separate from his own property as required by Rule 1.15(a), and caused the balance in Account 2313 to fall below the amount then belonging to lienholders on October 23, 2019 for his own personal or business purposes. Respondent denies each and every remaining allegation contained in paragraph 64.

COUNT VI

*(Conversion of \$14,375.61 of client funds – William Demmon)*

65. On or about August 10, 2018, William Demmon ("Demmon") was involved in a bicycle collision in St. Charles, Illinois. As a result of the collision, Demmon sustained injuries and incurred medical costs.

**ANSWER:** Respondent admits the allegations contained in paragraph 65.

66. On August 8, 2019, Demmon and Respondent agreed that Respondent would represent Demmon in matters relating to the incident referenced in paragraph 65, above. Demmon and Respondent agreed that Respondent's receipt of a fee would be contingent upon Demmon receiving an award or settlement from the responsible party or their insurer, and that Respondent would receive one-third of any recovery as his fee, plus any costs and expenses he incurred.

**ANSWER:** Respondent admits the allegations contained in paragraph 66.

67. On September 12, 2019, Demmon and the at-fault driver agreed to a settlement of the claim referenced in paragraph 65, above, for a total settlement of \$25,000. Pursuant to the representation agreement referenced in paragraph 66, above, Respondent was entitled to no more than \$8,333.33 for his legal fee, plus an additional \$214.39 as reimbursement for costs or expenses relating to the representation. Medicare, Demmon's health insurance provider which paid for medical treatment Demmon received as a result of the August 10, 2018 collision referenced in paragraph 65, above, asserted a subrogation lien on the settlement funds in the amount of \$1,576.18. Demmon was entitled to receive the remaining \$14,876.10.

**ANSWER:** Respondent admits the allegations contained in paragraph 67.

68. On September 17, 2019, USAA, the at-fault driver's insurance carrier, issued check number 0026410249, which had been made payable to the order of Respondent's law firm and Demmon in the amount of \$22,537.22. USAA withheld \$2,462.78 of the \$25,000 settlement to resolve Medicare's lien on Demmon's settlement proceeds, referenced in paragraph 67, above.

**ANSWER:** Respondent admits the allegations contained in paragraph 68.

69. On September 18, 2019, Respondent deposited check number 0026410249 into Account 2313.

**ANSWER:** Respondent admits the allegations contained in paragraph 69.

70. At some time between September 7, 2019 and October 8, 2019, USAA paid Medicare \$1,576.18 in full satisfaction of Medicare's lien, referenced in paragraph 67, above.

**ANSWER:** Respondent admits the allegations contained in paragraph 70.

71. On October 8, 2019, USAA issued check 0026614649, which had been made payable to the order of Respondent's law firm and Demmon in the amount of \$886.60, comprising the balance of funds due pursuant to the settlement agreement referenced in paragraph 67, above.

**ANSWER:** Respondent admits the allegations contained in paragraph 71.

72. On October 16, 2019, Respondent deposited check number 0026410249 into Account 2313.

**ANSWER:** Respondent admits the allegations contained in paragraph 72.

73. As of October 16, 2019, Respondent had deposited a total of \$23,423.82 into Account 2313 in connection with his representation of Demmon, and was due no more than \$8,547.72 as his fee and as reimbursement of expenses. As a result, as of that date, Respondent was required to maintain at least \$14,876.10 in Account 2313 until disbursement of Demmon's settlement proceeds to Demmon.

**ANSWER:** Respondent denies that as of October 16, 2019, he was due no more than \$8,547.72 as his fee and as reimbursement of expenses. Respondent admits the remaining allegations contained in paragraph 71.

74. On October 23, 2019, prior to making any disbursement of Demmon's settlement funds to Demmon, Respondent drew the balance in Account 2313 to \$500.49.

**ANSWER:** Respondent admits the allegations contained in paragraph 74.

75. As of October 23, 2019, Respondent had used \$14,375.61 of Demmon's settlement proceeds funds for his own personal or business purposes without notice to, or authority from, Demmon. Respondent's use of those funds constitutes conversion.

**ANSWER:** Respondent admits the factual allegations contained in paragraph 75 but denies to the pleading of a legal conclusion that he engaged in conversion. Conversion is not a

violation of the Rules of Professional Conduct in accordance with the mandate of *In re Karavidas*, 2013 IL 11567. Respondent denies the remaining allegations contained in paragraph 75.

76. At the time Respondent engaged in the 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.

**ANSWER:** Respondent denies the allegations contained in paragraph 76.

77. 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 2313 to fall below the amount then belonging to William Demmon on October 23, 2019, thereby converting a total of \$14,375.61 that belonged to Demmon for his own personal or business purposes, 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 using a total of \$14,375.61 of William Demmon's settlement 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).

**ANSWER:** Respondent admits that he failed to hold property of clients that was in his possession in connection with a representation separate from the his own property as required by Rule 1.15(a), and caused the balance in Account 2313 to fall below the amount then belonging to William Demmon on October 23, 2019 for his own personal or business purposes. Respondent denies each and every remaining allegation contained in paragraph 77.

### **PROFESSIONAL BACKGROUND**

Pursuant to Commission Rule 231, Respondent states that he was licensed to practice law in the State of Illinois on May 12, 1989. Respondent is admitted to practice in the Northern and Central Districts of the Illinois Federal District Courts, and the United States Supreme Court.

Respondent was licensed to practice law in the State of Minnesota but is currently in inactive status. Respondent is not licensed to practice in any administrative agency.

Dated: July 6, 2021 \_\_\_\_\_ Respectfully submitted,

George Louis Acosta, Respondent

By: /s/ Thomas P. McGarry  
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