

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

FILED  
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ARDC Clerk

**In the Matter of:**

**TIMOTHY PAUL PETERSON**

**Attorney-Respondent,**

**No. 6313717.**

**Commission No. 2022PR00068**

**RESPONDENT'S STATEMENT PURSUANT TO COMMISSION RULE 231**

1. Respondent was licensed in the State of Illinois to practice law on October 31, 2013. He is licensed in the State of Illinois. His license has never been subject to discipline.

**RESPONDENT TIMOTHY PAUL PETERSON'S ANSWER TO COMPLAINT**

Now comes, Respondent, Timothy Paul Peterson by and through his attorney, Elizabeth A. Granoff, who admits that he was licensed to practice law in the State Illinois on October 31, 2013, but denies the conclusory portions of the remaining allegations of the prefatory paragraph and answers as follows:

**ANSWER**

**(Each allegation of the Complaint is restated first, then Respondent's Answer)**

**COUNT I**

*(Unauthorized settlement and Misrepresentations to Client and Opposing Counsel)*

1. Beginning in 2013 and continuing through April 2021, Respondent was employed as an associate attorney at the law firm of Best, Vanderlaan & Harrington (hereafter "Best") at the firm's Naperville office. As an associate at Best, Respondent handled primarily insurance defense and general litigation matters on behalf of the firm's clients.

**Answer:** Respondent admits the allegations contained in Paragraph One.

2. At all times relevant to this complaint, Best represented Echelon Insurance Company ("Echelon"). At various times during the course of his employment at Best, Respondent was assigned to

represent Echelon and its insureds in litigation and arbitration matters, as well as in negotiation and settlement of claims.

**Answer:** Respondent admits the allegations contained in Paragraph Two.

3. In or about 2016, one of Echelon's insureds, Mohammed Aboudou (Aboudou) was injured in a car accident with another driver who was "underinsured." The driver that caused the accident in which Aboudou was injured had an insurance policy limit of \$25,000. Without filing a lawsuit or pursuing any type of litigation, Aboudou was able to recover \$25,000 from the other driver's insurance company.

**Answer:** Respondent admits the allegations contained in Paragraph Three.

4. In or about 2018, Aboudou retained attorney Matt Amarin ("Amarin") to pursue a claim on his behalf against his own insurance company, Echelon, for payment of damages over and above the \$25,000 Aboudou had already recovered. In 2018, Amarin notified Echelon of his representation of Aboudou and requested that Aboudou's claim be submitted to arbitration.

**Answer:** Respondent admits the allegations contained in Paragraph Four.

5. In or about 2019, Echelon retained Best to represent it with regard to Aboudou's claim for damages and his demand for arbitration. Respondent was assigned primary responsibility for representation of Echelon in the matter. At the time Respondent began representing Echelon, Aboudou's claim had been assigned to an arbitrator, per the terms of his insurance contract with Echelon, though no discovery schedule or deadlines had been set in the case.

**Answer:** Respondent admits the allegations contained in Paragraph Five.

6. In 2019, Respondent learned from Amarin that Aboudou was seeking the policy limit of \$75,000 in damages from Echelon. Amarin told Respondent that Aboudou's medical bills for injuries stemming from the 2016 car accident exceeded that amount. In or about December 2020, Respondent received authorization from Echelon's claims adjuster, Richard Kolodziej (Kolodziej), to retain a medical expert to review Aboudou's medical records.

**Answer:** Respondent admits the allegations contained in Paragraph Six.

7. In January 2021, Amarin contacted Respondent and threatened to file a "bad faith lawsuit" against Echelon for refusing to resolve what Amarin believed to be a legitimate claim for damages on behalf of Aboudou. Respondent asked Amarin for additional time to review Aboudou's

medical records and Amarin agreed to an extension until February 12, 2021, before filing any lawsuit against Echelon.

**Answer:** Respondent admits the allegations contained in Paragraph Seven.

8. On or about February 3, 2021, the medical expert completed his review of Aboudou's medical records and tendered a report with his findings to Respondent. On or shortly after February 3, 2021, Respondent sent the expert's report to Echelon's claims adjuster, Kolodziej.

**Answer:** Respondent admits the allegations contained in Paragraph Eight.

9. On February 12, 2021, Respondent contacted Kolodziej who advised Respondent he did not yet have settlement authority with regard to Aboudou's claim but hoped to have such authority no later than February 19, 2021.

**Answer:** Respondent admits the allegations contained in Paragraph Nine.

10. On or about February 12, 2021, Respondent contacted Amarin and requested an extension until February 19, 2021, for any settlement offer on behalf of Echelon. Amarin agreed to the request.

**Answer:** Respondent admits the allegations contained in Paragraph Ten.

11. On or about February 19, 2021, Kolodziej told Respondent that he did not yet have settlement authority with respect to Aboudou's claims. Respondent again contacted Amarin on that date and requested another extension until February 23, 2021, to make an offer of settlement. Amarin agreed to Respondent's request and stated that he was unwilling to grant any further extensions before filing a lawsuit on behalf of Aboudou against Echelon.

**Answer:** Respondent admits the allegations contained in Paragraph Eleven.

12. As of February 23, 2021, Respondent did not have settlement authority from Kolodziej or anyone at Echelon with regard to the settlement of Aboudou's claim.

**Answer:** Respondent admits the allegations contained in Paragraph Twelve.

13. On February 23, 2021, Respondent called Amarin and told him that he had authority to settle Aboudou's claim for \$75,000. Amarin accepted the offer of settlement on behalf of Aboudou. Later on that date, Respondent confirmed with Amarin via email that he had authority to settle Aboudou's claims on behalf of Echelon for \$75,000. At no time on or prior to February 23, 2021, did Respondent have authority from Echelon to settle the case.

**Answer:** Respondent admits the allegations contained in Paragraph Thirteen.

14. Respondent's statement to Amarin on February 23, 2021, that he had authority from Echelon to settle Aboudou's claim for \$75,000 was false and Respondent knew it was false at the time he made it. Respondent made the offer of settlement to Amarin for the purpose of delaying any lawsuit being filed on behalf of Aboudou against Echelon.

**Answer:** Respondent admits the allegations contained in Paragraph Fourteen.

15. Between February 23, 2021, and March 9, 2021, Respondent still had not received settlement authority from Kolodziej or anyone at Echelon with regard to Aboudou's claims. During that time period, Respondent drafted a settlement agreement and release of claims in which Echelon agreed to settle Aboudou's claim for \$75,000. On March 9, 2021, Respondent emailed Amarin the settlement documents. Respondent drafted and emailed the settlement documents to Amarin without permission or authority to do so from Kolodziej or anyone at Echelon.

**Answer:** Respondent admits the allegations contained in Paragraph Fifteen.

16. On March 15, 2021, Respondent received the executed settlement documents back from Amarin.

**Answer:** Respondent admits the allegations contained in Paragraph Sixteen.

17. On March 17, 2021, Respondent sent a letter to Kolodziej requesting an update on his settlement authority, as Respondent still had not received authorization to settle Aboudou's claim against Echelon. In his letter, Respondent did not inform Kolodziej that he had agreed, on behalf of Echelon, to settle Aboudou's claim for \$75,000 or that he had drafted and received back executed settlement documents from Amarin.

**Answer:** Respondent admits the allegations contained in Paragraph Seventeen.

18. On March 26, 2021, and on March 31, 2021, Amarin contacted Respondent concerning the status of the settlement check in the Aboudou matter. On both occasions, Respondent told Amarin he had not yet received the settlement check.

**Answer:** Respondent admits the allegations contained in Paragraph Eighteen.

19. On March 26 and March 31, 2021, Respondent's statements to Amarin were false and misleading because no settlement had been authorized by Echelon and no settlement documents had

been submitted to Echelon. Respondent knew his statements to Amarin that he was waiting on receipt of a settlement check were false at the time he made them because no settlement had been authorized by Echelon. Respondent told Amarin that he had not received the settlement documents from Echelon for the purpose of delaying any lawsuit being filed on behalf of Aboudou against Echelon.

**Answer:** Respondent admits the allegations contained in Paragraph Nineteen.

20. On or about April 6, 2021, Respondent told his supervisor at Best, Alison Harrington, that he had settled the Aboudou matter without the authority or permission of Echelon. Shortly after that meeting, Best terminated Respondent's employment with the firm.

**Answer:** Respondent admits the allegations contained in Paragraph Twenty.

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

- a. failure to abide by a client's decision on whether to settle a matter, by conduct including accepting an offer of settlement without first consulting and obtaining authority from Echelon, in violation of Rule 1.2(a) of the Illinois Rules of Professional Conduct (2010);
- b. knowingly making a false statement of material fact or law to a third person by conduct involving falsely representing to Amarin that he had authority from Echelon to settle Aboudou's claim for \$75,000, and that he was awaiting receipt of a settlement check from Echelon, when no such check was forthcoming, in violation of Rule 4.1(a) of the Illinois Rules of Professional Conduct (2010);
- c. conduct involving dishonesty, fraud, deceit or misrepresentation, by conduct including falsely stating to Amarin that he had authority from Echelon to settle Aboudou's claim against Echelon for \$75,000, and by advising Amarin that he was waiting to receive the check from Echelon when no check existed, and by failing to advise his client, Echelon, that he had made an offer of settlement which had been accepted by Aboudou, in violation of Rule 8.4(c) of the Illinois Rules of Professional Conduct (2010).

**Answer:** Respondent denies each and every allegation in Paragraph 21 (a)- (c). These statements are not allegations of fact but are conclusions of law which the Administrator must prove to the Hearing Board by clear and convincing evidence.

Respectfully submitted,

A handwritten signature in cursive script that reads "Elizabeth Granoff".

Elizabeth A. Granoff

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