

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,  
FIRST JUDICIAL DEPARTMENT

Matter of Christopher Scott Cardillo

2026 NY Slip Op 01282 · No. Motion No. 2025-04848; Case No. 2025-05420 · Decided March 5, 2026

SUMMARY

The Appellate Division, First Department granted the Attorney Grievance Committee's motion to immediately suspend Christopher Scott Cardillo from practicing law under 22 NYCRR 1240.9(a)(5). The court found uncontroverted evidence that Cardillo converted or misappropriated client escrow funds belonging to A.C. by transferring and exhausting those funds, then replenishing the shortfall with funds deposited by another client or third party. The court did not resolve disputed factual and contractual issues concerning the separate funds deposited by X.Z.

CASE DETAILS

|                       |                                                                                                                                                                                                                 |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | Supreme Court of the State of New York, Appellate Division, First Judicial Department                                                                                                                           |
| WRITING FOR THE COURT | Tanya R. Kennedy; Barbara R. Kapnick; Martin Shulman; Margaret A. Chan; Shlomo S. Hagler                                                                                                                        |
| JURISDICTION          | Supreme Court of the State of New York, Appellate Division, First Department                                                                                                                                    |
| DECIDED               | March 5, 2026                                                                                                                                                                                                   |
| DOCKET                | Motion No. 2025-04848; Case No. 2025-05420                                                                                                                                                                      |
| DISPOSITION           | other                                                                                                                                                                                                           |
| PROCEDURAL POSTURE    | The Attorney Grievance Committee moved for respondent's immediate interim suspension from the practice of law under 22 NYCRR 1240.9(a)(2) and (5), alleging conversion and misappropriation of entrusted funds. |
| STANDARD OF REVIEW    | For interim suspension under 22 NYCRR 1240.9(a)(5), the court determines whether uncontroverted evidence establishes professional misconduct that immediately threatens the public interest.                    |
| PRECEDENTIAL VALUE    | Published opinion                                                                                                                                                                                               |
| PARTIES               | Attorney Grievance Committee for the First Judicial Department v. Christopher Scott Cardillo                                                                                                                    |

## TOPICS

appellate procedure

remedies

## PRACTICE AREAS

legal ethics

attorney discipline

professional responsibility

## QUESTIONS PRESENTED

1. Whether respondent's handling of A.C.'s settlement proceeds constituted uncontroverted evidence of conversion or misappropriation of client funds warranting interim suspension under 22 NYCRR 1240.9(a)(5).
2. Whether the disputed transactions involving X.Z.'s deposits constituted uncontroverted evidence of professional misconduct supporting interim suspension.
3. Whether interim suspension should also be granted under 22 NYCRR 1240.9(a)(2) based on respondent's alleged admissions under oath.

## HOLDINGS

1. Respondent's transfer and dissipation of A.C.'s settlement funds, followed by replenishment of the shortfall with X.Z.'s funds, constituted conversion and/or misappropriation of client funds and uncontroverted evidence of professional misconduct immediately threatening the public interest.
2. The X.Z. transactions did not presently constitute uncontroverted evidence of misconduct because resolving their legal and factual nature required credibility assessments, contract interpretation, and factual findings ordinarily reserved for a disciplinary hearing.
3. The court did not need to reach the alternative theory based on respondent's alleged admissions under oath because the A.C. transactions independently supported interim suspension under 22 NYCRR 1240.9(a)(5).

## KEY QUOTATIONS

*"These facts are established through contemporaneous banking records and are not meaningfully disputed."* ([\*1])

*"This constitutes conversion and/or misappropriation of client funds and demonstrates respondent's failure to safeguard entrusted property and to maintain required escrow records."* ([\*1])

*"Accordingly, the X.Z. transactions do not presently constitute "uncontroverted evidence" of misconduct within the meaning of 22 NYCRR 1240.9(a)(5)."* ([\*1])

## FACTUAL BACKGROUND

Respondent deposited A.C.'s \$15,000 personal-injury settlement check into his escrow account and then transferred the entire amount to his business account before distributing the settlement proceeds. He used the transferred funds for personal and business expenditures unrelated to A.C., depleting the funds, and later used

subsequent deposits belonging to X.Z. to replenish the shortfall when issuing checks to or on behalf of A.C. The Attorney Grievance Committee also alleged that respondent misappropriated approximately \$4.7 million deposited by X.Z., but the court found that the legal and factual nature of those deposits required credibility determinations and contract interpretation.

## PROCEDURAL HISTORY

The disciplinary proceeding was instituted by the Attorney Grievance Committee for the First Judicial Department. The Committee sought an interim suspension based on transactions involving funds deposited into respondent's escrow account. The court declined to treat the disputed X.Z. transactions as uncontroverted evidence at the interim stage, but found that respondent's handling of A.C.'s settlement proceeds independently established uncontroverted evidence of professional misconduct and granted the motion under 22 NYCRR 1240.9(a)(5).

## DISPOSITION

other

## CASES CITED

- Matter of Schwartz, 214 AD3d 153 (1st Dept 2023)
- Matter of Carlebach, 156 AD3d 44 (1st Dept 2017)
- Matter of Kiss, 152 AD3d 129 (1st Dept 2017)