

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

SIDNEY L. PETERSON,)
)
)
Plaintiff,)
)
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v.) 19 C 415
)
)
WEXFORD HEALTH SOURCES,) Judge Charles P. Kocoras
INC., *et al.*,)
)
)
Defendants.)

ORDER

Defendant's Motion to Enforce Settlement [143] is granted. Plaintiff is ordered to provide Defendant with the information needed to finalize the written settlement agreement by 11/10/2025. The parties must tender to each other by 12/12/2025, full payment and an executed settlement agreement. The parties must submit a written statement of compliance with this order by 12/17/2025, at which time this matter will be dismissed with prejudice. See Statement.

STATEMENT

Before the Court is Defendant Sarah Mays's Motion to Enforce Settlement. For the reasons that follow, Defendant's motion is granted.

I. Background

The Court presumes familiarity with the detailed factual background of this litigation, and it includes below only those facts which are necessary to resolve the present motion.

For purposes of this motion, it all began at a telephonic status hearing on December 17, 2024. Defendant made an in court offer to settle the case for \$5,000. Plaintiff's counsel agreed to strongly recommend the amount to his client but did mention a "potential glitch": Defendant's standard settlement agreement contains a confidentiality provision, which Plaintiff's counsel believed he could not agree to because that would make "a taxable settlement non-taxable, and it is against public policy." Dkt. # 142, at 8. The parties were ordered to "hash it out" and file dismissal papers or a status report on the progress of settlement on January 17, 2025. Dkt # 142, at 10; Dkt. # 130.

Later that day, Plaintiff's counsel requested settlement papers from defense counsel that included a \$5,000 settlement amount and no confidentiality provision.

Defense counsel responded that the standard settlement agreement language included a confidentiality provision, and no changes to that language would be approved.¹

On January 17, 2025, Plaintiff's counsel emailed defense counsel a proposed joint status report noting that the parties have agreed to a resolution of all matters at issue in the case and required 21 days for execution of settlement documents. Defense counsel responded that the settlement paperwork was with "in the Illinois Attorney General's approval pipeline, discussing a \$5,000 settlement amount, attaching a proposed template standard settlement agreement, which included all acceptable terms, and an amended joint status report." Dkt. # 143, at 3, ¶ 6. After a brief phone call, the parties filed a one-sentence joint status report stating that "[t]he parties report that they have agreement subject to formal approval by IDOC and request 28 days for completion of settlement documents." Dkt. # 132. It is unknown whether the confidentiality provision was discussed during the phone call. The Court reviewed the status report and ordered dismissal papers or a status report to be filed on February 24, 2025.

Shortly thereafter, on January 23, 2025, defense counsel emailed Plaintiff's counsel asking for Plaintiff's mailing address. Plaintiff's counsel responded on January 27, 2025, and stated the easiest way to reach Plaintiff was through counsel. The next day, defense counsel emailed Plaintiff's counsel, advising him that an address for the payee was needed in order to obtain final approvals, and that Plaintiff's social

¹ It is unclear if Plaintiff responded to that email, or if there was any other communication between the parties between December 17, 2024, and January 17, 2025.

security number was required. Defense counsel attached the form for which the information was needed.

On January 31, 2025, Plaintiff's counsel emailed defense counsel asking if the settlement agreement was sent. A few days later, on February 3, 2025, defense counsel responded that a form was sent for completion regarding payee information and asked if the amount would be placed into an IOLTA account. He further informed Plaintiff's counsel that if he would be taking payment on his client's behalf, a W-9 was needed. Plaintiff's counsel did not respond to this email, nor did he respond to defense counsel's February 6, 2025 follow up email.

On February 24, 2025, Plaintiff's counsel emailed defense counsel a draft status report in which he stated that he had not received the settlement papers, and that he views this as a material breach of the proposed settlement agreement, rendering it void.² Defense counsel responded that he could not complete the settlement paperwork without the information he previously requested from Plaintiff's counsel.

Plaintiff's counsel did not respond to defense counsel's email. Instead, on February 25, 2024, Plaintiff filed an individual status report, wherein he stated: "After the parties reported that they had agreed to [] resolve this case without trial, defendants failed to provide settlement documents to plaintiff. This means, in plaintiff's view, that defendants have committed a breach of any agreement, and the proposed settlement is

² Although not explicitly stated in Defendant's motion, the Court presumes the parties had no communication between February 6, 2025, and February 24, 2025.

void.” Dkt. # 134. Plaintiff asked for an expert discovery schedule and further noted that he had sent the draft status report to Defendant the previous day but did not get a response to the draft.

Naturally, Defendant filed her own status report in response, asserting that without the necessary information from Plaintiff, the settlement paperwork could not be completed. Defendant stated the parties “have an enforceable settlement agreement, even if the agreement was not entirely reduced to formal, non-material terms, and even if the Parties had later intended to memorialize their settlement more formally at a later time.” Dkt. # 135, ¶ 5. Defendant asked the Court to order Plaintiff to provide the requested payment information, and to “find, as a matter of law, that the Parties’ agreement is valid and enforceable.” *Id.*

Faced with these competing positions, the Court scheduled a telephonic status hearing for March 18, 2025, at which defense counsel failed to appear. Plaintiff’s counsel reported to the Court that the case had not settled and requested an expert discovery schedule. The Court ordered the parties to begin expert discovery and submit a joint status report on the progress of that discovery on May 1, 2025. The Court did not receive any objection to the expert discovery schedule from Defendant.

On May 1, 2025, the parties again submitted competing status reports. Defendant reported that settlement was discussed over the phone that day, but Plaintiff’s counsel was not optimistic that the case could be resolved without a trial. Defendant further stated her intent to move to enforce the parties’ on-the-record settlement. In

response, Plaintiff stated that Defendant “has refused to approve any settlement that does not include a new provision to which plaintiff did not and will not agree.” Dkt. # 139.

Another telephonic status hearing was held on June 3, 2025, at which time a briefing schedule was set for the instant motion to enforce the settlement. The motion is now fully briefed and ripe for ruling.

II. Legal Standard

Defendant, as the party moving to enforce a settlement, bears the burden of establishing the existence of a valid settlement agreement. *See IMI Norgren, Inc. v. D & D Tooling MFG., Inc.*, 306 F. Supp. 2d 796, 802 (N.D. Ill. 2005). “A settlement agreement is a particular kind of contract, and so contract law (here, the law of Illinois) governs.” *Newkirk v. Village of Steger*, 536 F.3d 771, 774 (7th Cir. 2008) (citation omitted). In Illinois, a settlement agreement exists where there is a “meeting of the minds” on the material terms. *Beverley v. Abbott Lab’ys*, 817 F.3d 328, 333 (7th Cir. 2016). Illinois law follows the objective theory of contractual intent whereby the parties’ communications and conduct control; a party’s subjective beliefs are irrelevant. *Id.*; *see also Newkirk*, 536 F.3d at 774 (“Secret hopes and wishes count for nothing. The status of a document as a contract depends on what the parties express to each other and to the world, not on what they keep to themselves.”).

III. Discussion

Unsurprisingly, the parties dispute who is at fault for the breakdown in communication that precipitated the instant motion. The question before the Court is whether there was a meeting of the minds on all material terms of the settlement. Based on the record, the answer is yes.³

First, what were the material terms? Defendant offered \$5,000 in exchange for the dismissal of all claims against her, and Plaintiff accepted. Based on Defendant's words and conduct, Defendant's offer to Plaintiff was conditioned upon Plaintiff's acceptance of a confidentiality provision in the written settlement agreement, which Plaintiff knew about when the offer was accepted in open court. When Plaintiff asked for a written agreement without a confidentiality provision, Defendant stated in no uncertain terms that no changes to the standard settlement agreement would be approved. In other words, a confidentiality provision was non-negotiable. Thus, confidentiality was a material term.

³ Plaintiff does not dispute the basic facts surrounding the formation of the oral settlement agreement in court, or the timeline of events as described in Defendant's motion. Given the Court's transcription of the December 17, 2024 status hearing and the parties' January 17, 2025 agreed joint status report, an evidentiary hearing is not required to determine the agreement's enforceability. *See, e.g., Wilson v. Wilson*, 46 F.3d 660, 665 (7th Cir. 1995) (no abuse of discretion in district court's determination that oral settlement agreement memorialized on the record was enforceable without an evidentiary hearing); *Livingstone v. DeVry Univ.*, 2021 WL 3027025, at *6 (N.D. Ill. 2021), *report and recommendation adopted sub nom. Livingstone v. DeVry Univ., Inc.*, 2021 WL 2328363 (N.D. Ill. 2021) (citing *Wilson* and concluding “[t]he Court's transcription in this case memorializes that at the settlement conference, there was an offer and acceptance of the compromise, and a meeting of the minds as to the material terms of a settlement agreement.”).

So, did Plaintiff agree to this material term? Defense counsel says that he emailed Plaintiff's counsel a copy of the "template standard settlement agreement" on January 17, 2025, and later that day, the parties filed their agreed statement that "[t]he parties report that they have agreement subject to formal approval by IDOC and request 28 days for completion of settlement documents." Dkt. # 132. In Defendant's view, this status report memorialized the parties' agreement to a \$5,000 payment and the terms of the "standard settlement agreement," which included the confidentiality provision.

The Court agrees with Defendant. While Plaintiff argues that there was no meeting of the minds on the confidentiality provision, counsel's words and conduct say otherwise. *See Dillard v. Starcon Int'l, Inc.*, 483 F.3d 502, 507 (7th Cir. 2007) ("Whether a 'meeting of the minds' occurred depends on the parties' objective conduct, not their subjective beliefs."). Plaintiff's agreement to the material terms is reflected in both his proposed January 17, 2025 joint status report, which stated that the parties had agreed to a resolution of all matters, and the finalized January 17, 2025 agreed joint status report which stated, "[t]he parties report that they have agreement subject to formal approval by IDOC and request 28 days for completion of settlement documents." Dkt. # 132. When Plaintiff drafted his proposed joint status report and agreed to the finalized version filed with the Court, he had previously been informed that no changes to the language of the standard settlement agreement would be approved. Plaintiff was provided with the standard settlement agreement template which included the

contemplated confidentiality provision. All that was needed was the amount of the settlement and payment information. The parties didn't state in their status report that they were still hashing out certain terms or disagreeing as to the material terms or the language of the settlement agreement – they said they had an agreement and needed additional time to finalize the paperwork.⁴ That paperwork contained a confidentiality provision.

Plaintiff's *laches* argument is unpersuasive. "*Laches* is grounded in the equitable notion that courts are reluctant to come to the aid of a party who has knowingly slept on his rights to the detriment of the opposing party. To successfully assert *laches*, it must be shown that a party unreasonably delayed asserting a known right and that delay unduly prejudiced the opposing party." *Wells Fargo Bank, N.A. v. Nguyen*, 2024 IL App (3d) 230253, ¶ 32 (cleaned up). Plaintiff argues he informed Defendant on February 25, 2025, that he was no longer willing to settle, and shortly thereafter, without objection from Defendant, the Court set a schedule for expert discovery.⁵ Plaintiff then asked his expert to prepare a report, for which the expert charged \$3,500.

⁴ Plaintiff's February 25, 2025 status report recognizes the parties had reached a settlement. By accusing Defendant of breaching the settlement agreement, Plaintiff implicitly concedes that a valid agreement existed – the paperwork simply had not been executed (due in large part to Plaintiff's counsel's failure to provide Defendant with necessary payment details).

⁵ The schedule was set at Plaintiff's request during the March 18, 2025 telephonic status hearing, at which Defendant's counsel failed to appear. The reason for that failure to appear is unknown to the Court. Defendant does not state in her motion whether Plaintiff contacted counsel after the hearing to inform him of what transpired.

Plaintiff argues he would not have undertaken this work had Defendant acted promptly in filing its motion to enforce the settlement.⁶

Plaintiff accuses Defendant of dilatory behavior but offers no excuse or explanation for his own counsel's failure to respond to defense counsel's multiple requests for the information necessary to finalize the settlement agreement. Furthermore, Plaintiff has been on notice of Defendant's position that a valid settlement agreement existed and Defendant's intent to enforce that agreement from the very start. Defendant repeatedly tried to obtain the necessary information for finalization of the written agreement. Defendant stated her position in the February 27, 2025 status report, and asked the Court to order Plaintiff to provide the requested payment information, and to "find, as a matter of law, that the Parties' agreement is valid and enforceable." Dkt. # 135, ¶ 5. Defendant again stated her position in her May 1, 2025 status report and indicated her intent to move to enforce the agreement.

Plaintiff's argument that the settlement is unenforceable because it had not been approved by the Illinois Attorney General is similarly unavailing. Plaintiff points to Defendant's statements that the settlement was "in the Illinois Attorney General's approval pipeline," Dkt. # 143, ¶ 6, and that "an address for the payee was required in order to obtain final approvals," *id.* ¶ 11, and that Plaintiff had not provided information

⁶ Defendant notes that Plaintiff's expert worked on and created her report between June 9 and June 12, 2025. Dkt. # 145-1. There is no indication of when Plaintiff commissioned the report, although Defendant insists that it was "certainly" after her February 27, 2025 request that the Court find an enforceable agreement and "almost definitely" after Defendant's May 1, 2025 express statement of intent to move to enforce the settlement.

“necessary for completion of settlement documents and processing approvals,” Dkt. # 138. But this ignores the fact that approval had been given for the settlement amount and the standard settlement agreement – the material terms. Had those terms not been pre-approved, Defendant would not have been able to make the offer in open court. What required additional approval was merely the manner of payment and payee information. These are not material terms.

In sum, the settlement proposed by Defendant and accepted by Plaintiff’s counsel on his behalf included all material terms and thus is binding. Accordingly, Defendant’s motion to enforce the parties’ settlement agreement is granted.

CONCLUSION

For the foregoing reasons, the Court grants Defendant’s Motion to Enforce Settlement [143]. Plaintiff is ordered to provide Defendant with the information needed to finalize the written settlement agreement by 11/10/2025. The parties must tender to each other by 12/12/2025, full payment and an executed settlement agreement. The parties must submit a written statement of compliance with this order by 12/17/2025, at which time this matter will be dismissed with prejudice.

It is so ordered.


Charles P. Kocoras
United States District Judge

Dated: November 3, 2025