

FILED  
2/5/2025 4:07 PM  
Mariyana T. Spyropoulos  
CIRCUIT CLERK  
COOK COUNTY, IL  
2022L010905  
Calendar, U  
31284772

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, LAW DIVISION**

PAUL DULBERG and THE PAUL )  
DULBERG REVOCABLE TRUST, )  
 )  
Plaintiffs, )

Case No. 2022 L 010905

v. )

Honorable Judge Anthony C. Swanagan

KELLY N. BAUDIN a/k/a BAUDIN & )  
BAUDIN, BAUDIN & BAUDIN AN )  
ASSOCIATION OF ATTORNEYS, LAW )  
OFFICES OF BAUDIN & BAUDIN, )  
BAUDIN & BAUDIN LAW OFFICES; )  
WILLIAM RANDAL BAUDIN II a/k/a )  
BAUDIN & BAUDIN, BAUDIN & )  
BAUDIN AN ASSOCIATION OF )  
ATTORNEYS, LAW OFFICES OF )  
BAUDIN & BAUDIN, BAUDIN & )  
BAUDIN LAW OFFICES; KELRAN, INC )  
a/k/a THE BAUDIN LAW GROUP, Ltd.; )  
JOSEPH DAVID OLSEN a/k/a YALDEN, )  
OLSEN & WILLETTE LAW OFFICES; )  
CRAIG A WILLETTE a/k/a YALDEN, )  
OLSEN & WILLETTE LAW OFFICES; )  
RAPHAEL E YALDEN II a/k/a YALDEN, )  
OLSEN & WILLETTE LAW OFFICES; )  
ADR SYSTEMS OF AMERICA, LLC., )  
ASSUMED NAME ADR COMMERCIAL )  
SERVICES; and ALLSTATE PROPERTY )  
AND CASUALTY INSURANCE )  
COMPANY, )  
 )  
Defendants. )

Calendar U

**ADR’S PETITION FOR AN AWARD OF  
ATTORNEYS’ FEES AND COSTS**

Defendant ADR Systems of America, LLC (“ADR”) respectfully requests that the Court enter an Order awarding ADR **\$25,643.75**, jointly and severally, against Plaintiffs Paul Dulberg and the Paul Dulberg Revocable Trust (collectively, “Dulberg”) and their attorney Alphonse A. Talarico (“Talarico”), representing the **\$25,092.50** in attorneys’ fees and **\$551.25** in

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costs ADR incurred defending the claim asserted by Dulberg against ADR and obtaining sanctions against Dulberg and Talarico pursuant to Illinois Supreme Court Rule 137. In support of this Petition, ADR submits the Declaration of Robert A. Chapman (**Exhibit A** hereto) and further states as follows:

1. On December 8, 2022, Dulberg instituted this lawsuit, complaining that his lawyers forced him into binding mediation against his will. Included as “Count 4” in the Complaint was a claim for breach of contract against ADR.

2. On October 31, 2023, the Court dismissed *with prejudice* Dulberg’s claim against ADR set forth in “Count 4” of Dulberg’s Complaint. (**Exhibit B** hereto.)

3. On December 17, 2024, the Court further granted ADR’s Petition for Sanctions on the grounds that the claim against ADR violated Rule 137. (**Exhibit C**.)

4. In addition to granting sanctions against Dulberg and Talarico, the Court also permitted ADR to file a motion for fees. (*Id.*)

5. Therefore, ADR now submits this Petition for an award of **\$25,643.75** in attorneys’ fees and costs.

**A. Summary of ADR’s Attorneys’ Fees and Costs**

6. For the period from December 2022 through January 2025 (the “Billing Period”), ADR’s counsel expended more than 50.7 hours of attorney time in connection with defending this lawsuit. (Exhibit A ¶¶ 3, 10.)

7. ADR’s counsel were careful to avoid duplication of effort and the time billed was reasonably devoted to this case and necessary for its defense. (*Id.* ¶ 9.)

8. ADR’s Petition seeks an award of attorneys’ fees equal to **\$25,092.50**, which includes time billed for the following:

- a. Reviewing the complaint and analyzing the claims asserted by Dulberg in this matter;
- b. Preparing a notice to Talarico pursuant to Illinois Supreme Court Rule 137 setting forth in detail reasons Dulberg’s claim against ADR was without a good faith basis as a matter of fact and as a matter of law;
- c. Preparing ADR’s motion to dismiss Dulberg’s complaint with prejudice, and preparing ADR’s reply brief in support of that motion;
- d. Attending a number of court hearings relating to the litigation and to ADR’s motion to dismiss and Petition for Sanctions;
- e. Addressing the Notice of Appeal filed by Dulberg;
- f. Preparing ADR’s petition for sanctions pursuant to Illinois Supreme court Rule 137 and accompanying exhibits, and preparing ADR’s reply brief in support of its petition for sanctions;
- g. Preparing this fee petition; and
- h. Completing general litigation tasks during the Billing Period.

(*Id.* ¶ 11.)

9. ADR is not seeking reimbursement for fees incurred for services performed by paralegals or for fees that its counsel “wrote off” and for which ADR has not been billed. (*Id.* ¶ 12.)

10. ADR is also seeking **\$551.25** in out-of-pocket costs it incurred in this matter. (*Id.* ¶¶ 13-14.)

11. With the exception of the most recent invoice, payment of which is not yet due, ADR has paid all invoices for the Billing Period, in the amounts billed, as they came due. (*Id.* ¶ 15.)

**B. The Attorneys' Fees and Costs ADR Requests Are Reasonable**

12. Under Rule 137, a party may recover fees that were incurred because of the sanctionable pleading. *Robertson v. Calcagno*, 333 Ill. App. 3d 1022, 1028-29 (1st Dist. 2002) (internal citation omitted). This includes fees incurred in prosecuting a motion for sanctions. *Id.*

13. The party seeking “to recover attorney fees from another party bears the burden of presenting sufficient evidence from which the trial court can render a decision as to their reasonableness.” *Harris Trust & Sav. Bank v. Am. Nat’l Bank & Trust Co. of Chi.*, 230 Ill. App. 3d 591, 595 (1st Dist. 1992) (affirming trial court’s grant of attorneys’ fees where plaintiff’s “fee petition [was] adequately specific to support the trial court’s award”). That burden is met by submitting “detailed records containing facts and computations upon which the charges are predicated specifying the services performed, by whom they were performed, the time expended, and the hourly rate charged.” *Id.*

14. Because Rule 137 sanctions are penal in nature, the Court is not required to review each and every reimbursable component of the attorneys’ fees ADR seeks. *Father & Sons Home Imp. II, Inc. v. Stuart*, 2016 IL App (1st) 143666, ¶¶ 67-68. Where sanctions are warranted, attorneys’ fees are recoverable under Rule 137 “even where they are ‘lumped.’” *Robertson*, 333 Ill. App. 3d at 1028–29 (citing *Riverdale Bank v. Papastratakos*, 266 Ill. App. 3d 31, 43 (1st Dist. 1994)). “[C]ounsel is not required to record how each minute of time was expended, but should identify the general subject matter involved in the time expenditure.” *Id.* at 1029 (quoting *Ashley v. Scott*, 266 Ill. App. 3d 302, 306 (2d Dist. 1994)) (alteration in original).

15. After presented with sufficient evidence, “the trial court should consider a variety of factors including the skill and standing of the attorney, the nature of the case, the novelty of the issues involved, the degree of responsibility required, the usual and customary charges for the same or similar services in the community, and whether there is a reasonable connection between the fees charged and the litigation.” *Harris Trust*, 230 Ill. App. 3d at 595. A trial court’s determination as to the reasonableness of attorneys’ fees and costs “will not be disturbed absent an abuse of discretion.” *Id.*; see also *J.B. Esker & Sons, Inc. v. Cle-Pa’s P’ship*, 325 Ill. App. 3d 276, 283 (5th Dist. 2001) (affirming award of attorneys’ fees).

16. The declaration of Robert A. Chapman (**Exhibit A**), along with exhibits attached thereto detailing the amount of attorneys’ fees and costs incurred in this matter, is sufficient to meet ADR’s burden of demonstrating the reasonableness of the attorneys’ fees and costs at issue. Mr. Chapman (i) sets forth the total attorneys’ fees and costs sought by ADR; (ii) describes the work that was performed in the case; (iii) describes the credentials, skills, and experience of the professionals who performed the work; and (iv) attests to the fact that ADR’s counsel were careful to avoid duplication of effort and the time billed was reasonably devoted to this case and necessary for its defense. Mr. Chapman also attests to and provides copies of ADR’s counsel’s invoices and time sheets that detail (i) the particular tasks performed, (ii) the person who performed each task, (iii) the time that was spent on each task, and (iv) the hourly rate that was charged.

17. Finally, the fact that ADR has paid Chapman Spingola’s invoices during the litigation as they came due demonstrates the presumptive reasonableness of the fees incurred in this matter. See *Arthur v. Catour*, 216 Ill. 2d 72, 82 (2005) (“The prima facie reasonableness of a paid bill can be traced to the enduring principle that the free and voluntary payment of a charge

for a service by a consumer is presumptive evidence of the reasonable or fair market value of that service.”).

**WHEREFORE**, Defendant ADR Systems of America, LLC respectfully requests that the Court grant its Petition for an Award of Attorneys’ Fees and Costs and enter an order awarding it **\$25,643.75** against Plaintiffs Paul Dulberg and the Paul Dulberg Revocable Trust and their attorney Alphonse A. Talarico, jointly and severally, comprised of **\$25,092.50** in attorneys’ fees and **\$551.25** in costs.

Dated: February 5, 2025

Respectfully submitted,

**ADR Systems of America, LLC**

/s/ Robert A. Chapman  
One of its Attorneys

Robert A. Chapman  
Shannon T. Knight  
Suhani Mehrotra  
**CHAPMAN SPINGOLA, LLP**  
190 South LaSalle Street, Suite 3850  
Chicago, Illinois 60603  
(312) 630-9202  
rchapman@chapmanspingola.com  
sknight@chapmanspingola.com  
smehrotra@chapmanspingola.com  
lcross@chapmanspingola.com  
Firm ID No. 29411

*Counsel for Defendant ADR Systems of America, LLC*

# EXHIBIT A

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, LAW DIVISION**

PAUL DULBERG and THE PAUL )  
DULBERG REVOCABLE TRUST, )  
 )  
Plaintiffs, )

v. )

KELLY N. BAUDIN a/k/a BAUDIN & )  
BAUDIN, BAUDIN & BAUDIN AN )  
ASSOCIATION OF ATTORNEYS, LAW )  
OFFICES OF BAUDIN & BAUDIN, )  
BAUDIN & BAUDIN LAW OFFICES; )  
WILLIAM RANDAL BAUDIN II a/k/a )  
BAUDIN & BAUDIN, BAUDIN & )  
BAUDIN AN ASSOCIATION OF )  
ATTORNEYS, LAW OFFICES OF )  
BAUDIN & BAUDIN, BAUDIN & )  
BAUDIN LAW OFFICES; KELRAN, INC )  
a/k/a THE BAUDIN LAW GROUP, Ltd.; )  
JOSEPH DAVID OLSEN a/k/a YALDEN, )  
OLSEN & WILLETTE LAW OFFICES; )  
CRAIG A WILLETTE a/k/a YALDEN, )  
OLSEN & WILLETTE LAW OFFICES; )  
RAPHAEL E YALDEN II a/k/a YALDEN, )  
OLSEN & WILLETTE LAW OFFICES; )  
ADR SYSTEMS OF AMERICA, LLC., )  
ASSUMED NAME ADR COMMERCIAL )  
SERVICES; and ALLSTATE PROPERTY )  
AND CASUALTY INSURANCE )  
COMPANY, )

Defendants. )

Case No. 2022 L 010905

Honorable Judge Anthony C. Swanagan

Calendar U

**DECLARATION OF ROBERT A. CHAPMAN**

I, Robert A. Chapman, pursuant to Section 1-109 of the Code of Civil Procedure and the penalties provided therein, state as follows:

1. I am a partner in the law firm Chapman Spingola, LLP and an attorney for Defendant ADR Systems of America, LLC (“ADR”) in this matter. I am submitting this declaration in connection with ADR’s Petition for an Award of Attorneys’ Fees and Costs (the

“Fee Petition”), jointly and severely, against Plaintiffs Paul Dulberg and the Paul Dulberg Revocable Trust (collectively, “Dulberg”) and their attorney Alphonse A. Talarico (“Talarico”).

2. This declaration is based on my personal knowledge and Chapman Spingola’s billing records, which are kept in the ordinary course of business and which I believe are accurate. I am over the age of eighteen years, am under no legal disability, and if called to testify in open court, could do so competently.

3. To prepare this declaration, I have reviewed Chapman Spingola’s billing records in this matter for attorneys’ fees and costs that were incurred from December 2022 through January 2025 (the “Billing Period”).

4. During the Billing Period, I was the primary billing attorney for this matter. I am a 1985 graduate of the Berkeley School of Law of the University of California, where I was an Associate Editor of the *California Law Review*. I have been licensed to practice law in the state of Illinois since 1985. I am an elected member to the American Board of Trial Advocates (“ABOTA”). I have substantial commercial litigation and trial experience in state and federal courts located in Illinois and other jurisdictions and have argued before the Illinois Supreme Court, the Seventh Circuit Court of Appeals, and the Illinois Appellate Court.

5. My hourly rate of \$500 is consistent with industry standards for an attorney of my caliber and experience and is consistent with (or less than) the amount I charge for my time in other matters.

6. Shannon T. Knight, a partner with Chapman Spingola, also performed work on this matter. Ms. Knight is a 2011 *cum laude* graduate of the Chicago-Kent College of Law, where she was a member of the Moot Court Honor Society. She has been licensed to practice law in the state of Illinois since 2011 and has been a partner with Chapman Spingola since 2016. Over the course

of her career, she has had substantial commercial litigation and trial experience in the Circuit Court of Cook County, the United States District Court for the Northern District of Illinois, and state and federal courts located in other jurisdictions, including the Delaware Court of Chancery and Delaware Supreme Court. Her hourly rates of \$450-500 over the course of this litigation are consistent with industry standards for an attorney of her caliber and experience and are consistent with (or less than) the amount that she charges for her time in other matters.

7. Suhani Mehrotra, an associate with Chapman Spingola, also performed work on this matter. Ms. Mehrotra is a 2019 *cum laude* graduate of the University of Arizona, James E. Rogers College of Law, where she was a member of the Intellectual Property Clinic and Arizona Journal of International & Comparative Law. Her hourly rate of \$400 is consistent with industry standards for an attorney of her caliber and experience and is consistent with (or less than) the amount that she charges for her time in other matters.

8. True and correct copies of Chapman Spingola's invoices for the Billing Period are attached hereto as **Exhibit 1**. The invoices have been redacted to exclude billing entries for unrelated tasks in other litigation matters.

9. Chapman Spingola's billing records demonstrate that Chapman Spingola was careful to avoid duplication of effort and that the time billed was reasonably devoted to this case and necessary for its defense.

10. During the Billing Period, ADR has incurred the following attorneys' fees, which total \$25,092.50, in connection with services Chapman Spingola provided in this matter:

ATTORNEY	RATE	HOURS	FEES
Robert Chapman	\$500	37	\$19,150.00
Shannon Knight	\$450-\$500	6.2	\$2,942.50
Suhani Mehrotra	\$400	7.5	\$3,000.00

11. Chapman Spingola seeks an award of attorneys' fees equal to \$25,092.50 for completing the following categories of work in this matter:

a. Reviewing the complaint and analyzing the claims asserted by Dulberg in this matter;

b. Preparing a notice to Talarico pursuant to Illinois Supreme Court Rule 137 setting forth in detail reasons Dulberg's claim against ADR was without a good faith basis as a matter of fact and as a matter of law;

c. Preparing ADR's motion to dismiss Dulberg's complaint with prejudice, and preparing ADR's reply brief in support of that motion;

d. Attending a number of court hearings relating to the litigation and to ADR's motion to dismiss and Petition for Sanctions.

e. Addressing the Notice of Appeal filed by Dulberg;

f. Preparing ADR's petition for sanctions pursuant to Illinois Supreme court Rule 137 and accompanying exhibits, and preparing ADR's reply brief in support of its petition for sanctions;

g. Preparing this fee petition; and

h. Completing general litigation tasks during the Billing Period.

12. ADR is not seeking reimbursement for fees incurred for services performed by paralegals or for fees that its counsel "wrote off" and for which ADR has not been billed.

13. In addition to its reasonable attorneys' fees, ADR seeks an award of \$551.25 for its out-of-pocket costs incurred in this matter. These costs can be broken down as follows:

CATEGORY	COSTS
Appearance	\$281.25
Costs Invoiced by Court Reporter (Chimniak Court Reporting)	\$270.00

14. These costs were incurred in the normal course of the matter. The costs listed above were paid by Chapman Spingola as they were incurred and then billed to ADR as part of Chapman Spingola's invoices. (*See Exhibit 1.*)

15. With the exception of the most recent invoice, payment of which is not yet due, ADR has paid the attached invoices, in the amounts billed, as they came due.

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the foregoing statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.

Executed On: February 5, 2025

/s/ Robert A. Chapman

# EXHIBIT 1

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

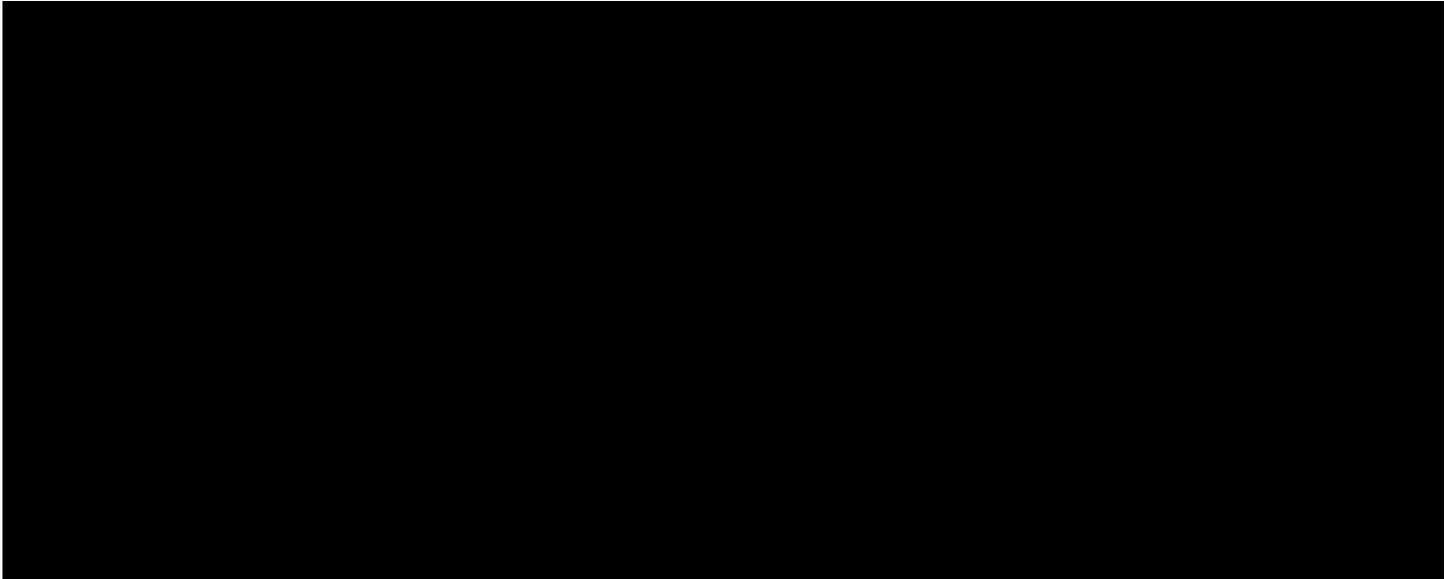
January 21, 2025

Invoice #28955

Professional Services

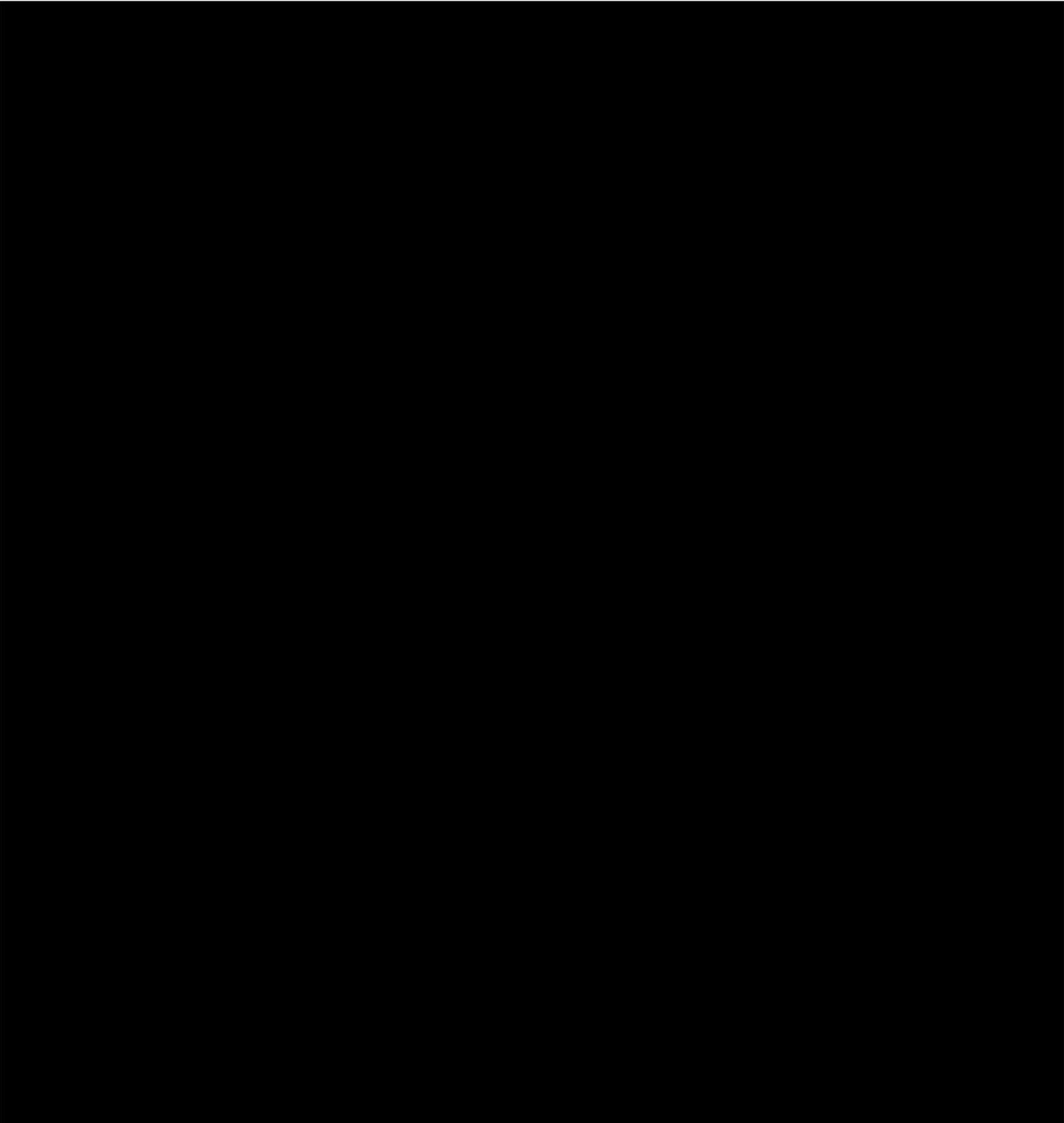
	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
12/17/2024 RAC Review court order and attend court hearing; conference with Talarico counsel; email with client re same	1.00	500.00
 SUBTOTAL:	 [ 1.00	 500.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours    Amount

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours   Amount



10/22/2024 Payment - thank you. Check No. 37279

(\$2,896.50)



Attorney Summary

Name	Hours	Rate	Amount
[REDACTED] Robert A. Chapman	2.25	500.00	\$1,125.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**CHAPMAN SPINGOLA, LLP**

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c/o Mr. Marc Becker  
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29th Floor  
Chicago, IL 60602

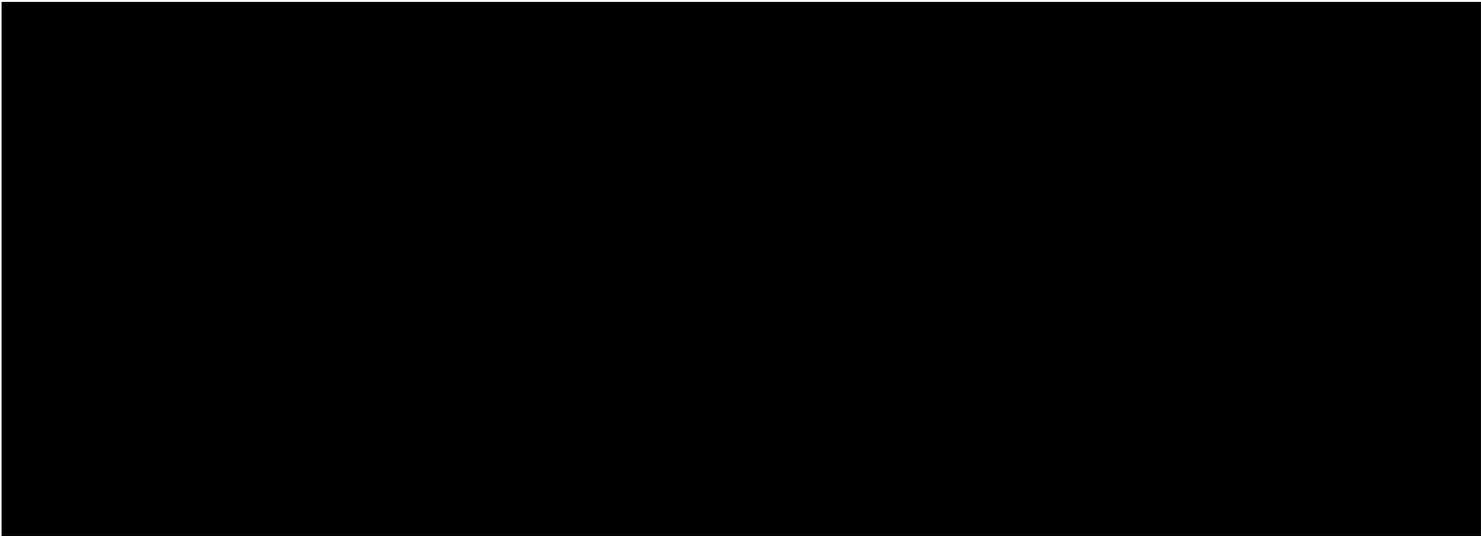
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Invoice #28563

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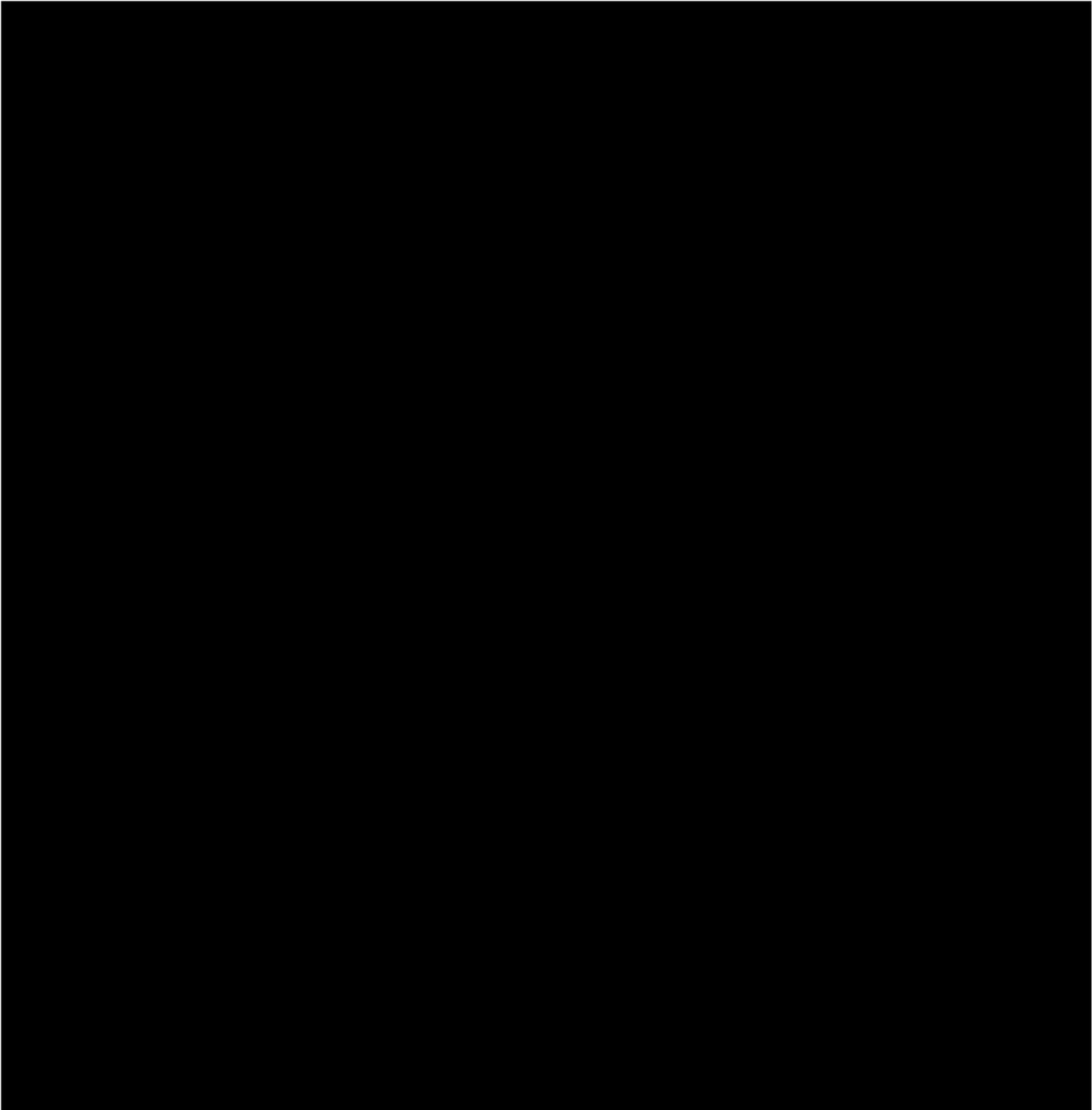
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<u>Dulberg</u>		
9/16/2024 RAC Email re status of claim	0.20	100.00
9/23/2024 RAC Deal with hearing for which notice was not provided; conference with counsel	0.20	100.00
 SUBTOTAL:	<u>0.40</u>	<u>200.00</u>

FILED DATE: 2/5/2025 4:07 PM 2022L010905

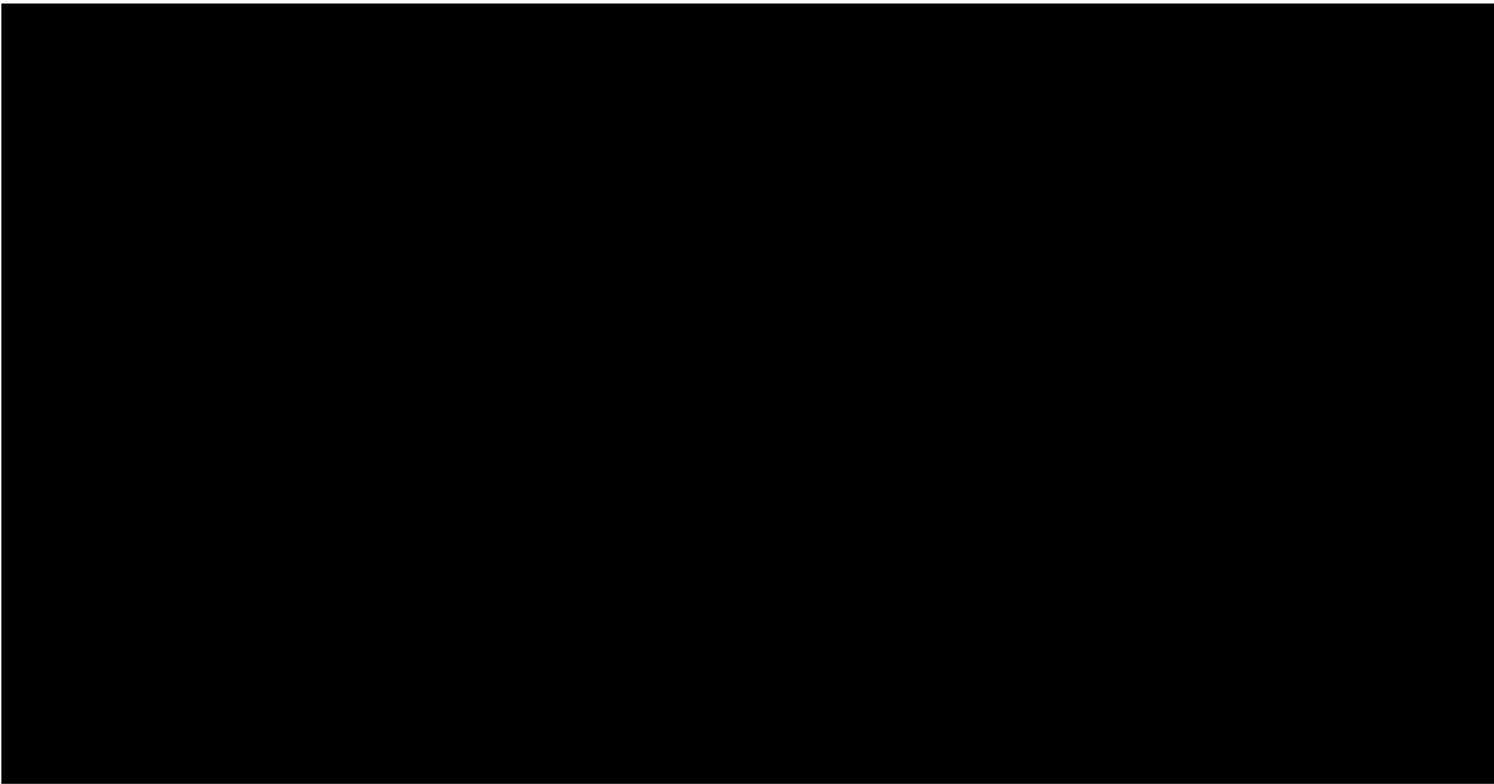


Hours   Amount

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours    Amount



Additional Charges :

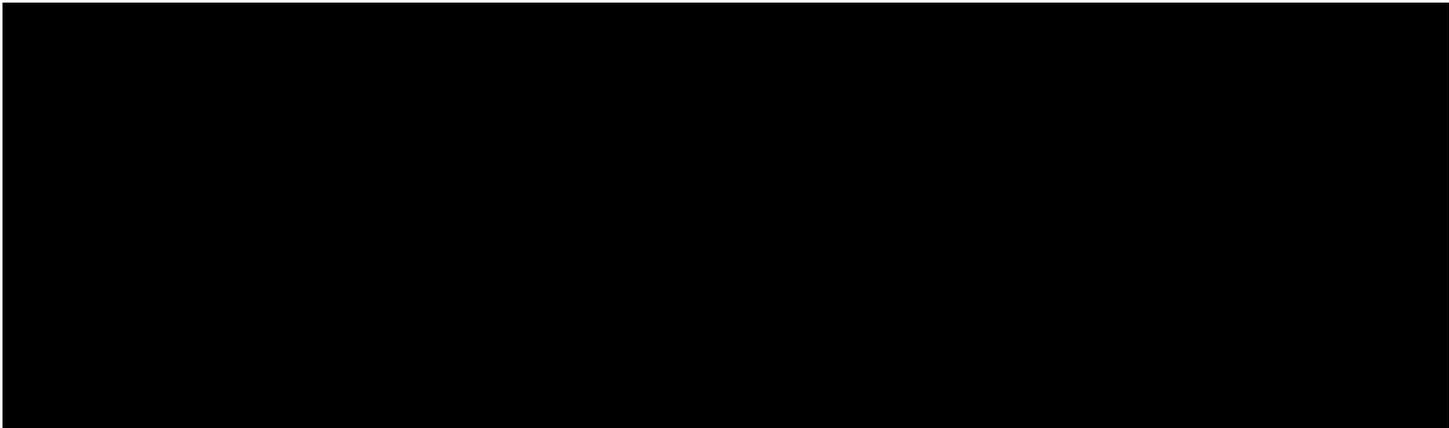
Dulberg \_\_\_\_\_

9/24/2024 Chimniak Court Reporting Invoice No. 14246RC

270.00

SUBTOTAL:

[ 270.00]



9/30/2024 Payment - thank you. Check No. 37108

(\$2,096.25)

FILED DATE: 2/5/2025 4:07 PM 2022L010905

Amount



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert A. Chapman [Redacted]	2.80 [Redacted]	500.00 [Redacted]	\$1,400.00 [Redacted]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

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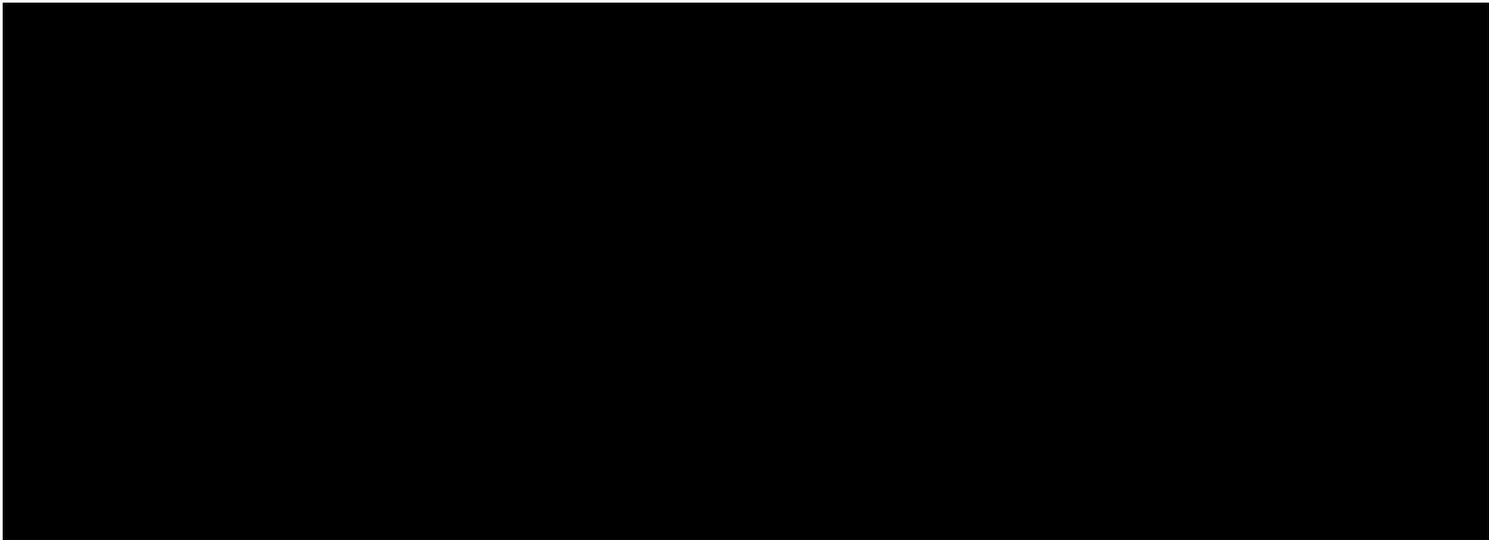
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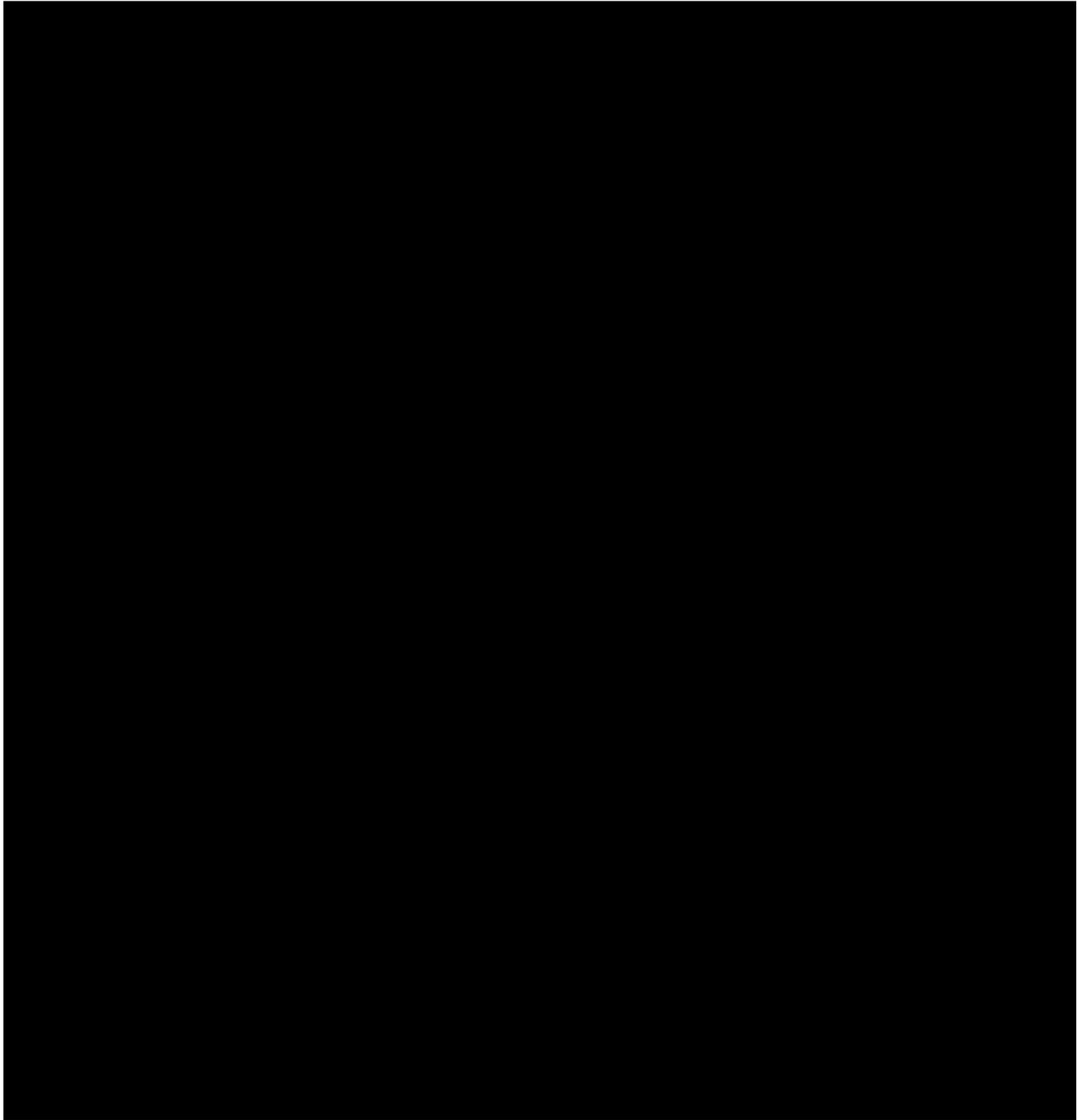
Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
7/16/2024 RAC Prepare for hearing and oral argument; participate in oral argument	1.70	850.00
7/19/2024 RAC Telephone Talarico counsel re settlement issues	0.20	100.00
 SUBTOTAL:	 [ 1.90	 950.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

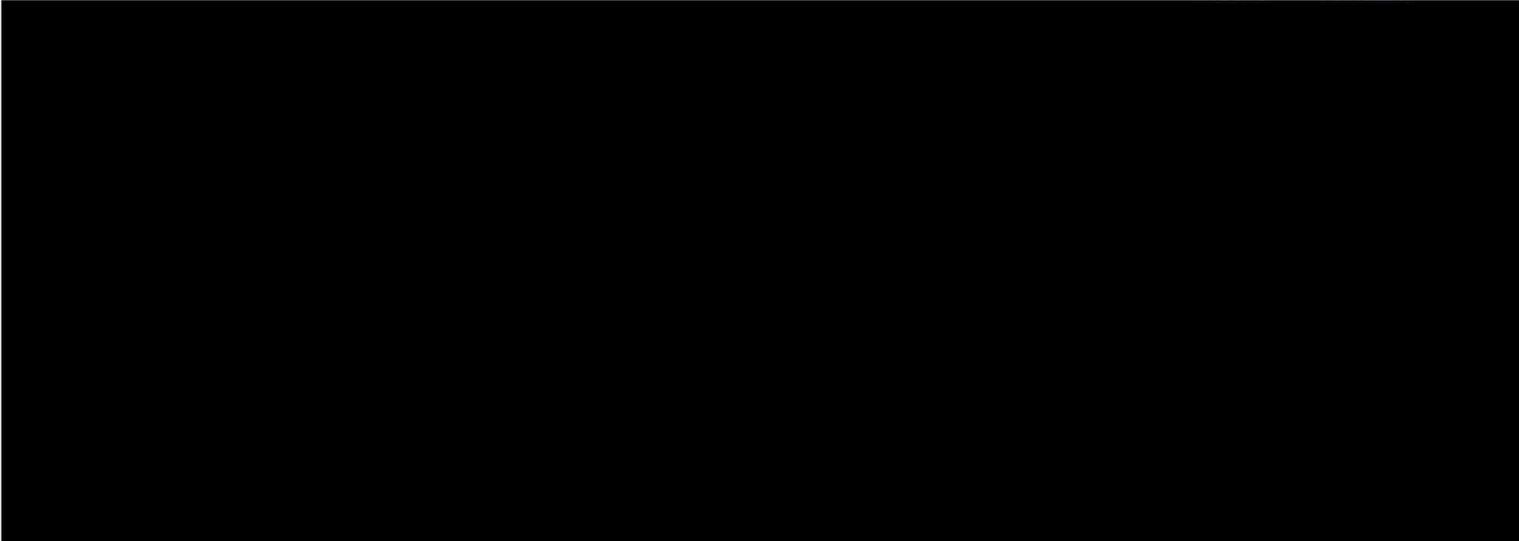


Hours   Amount



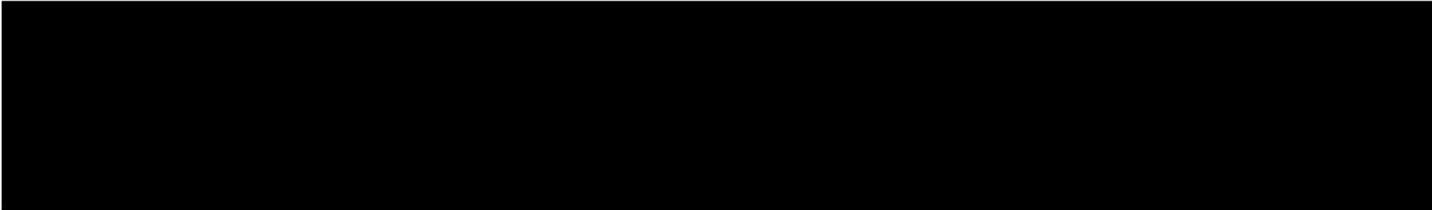
FILED DATE: 2/5/2025 4:07 PM 2022L010905

Hours Amount



8/7/2024 Payment - thank you. Check No. 36861

(\$1,487.50)



Attorney Summary

Name	Hours	Rate	Amount
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Robert A. Chapman	2.70	500.00	\$1,350.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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**CHAPMAN SPINGOLA, LLP**

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Fax: 312 630-9233

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c/o Mr. Marc Becker  
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Chicago, IL 60602

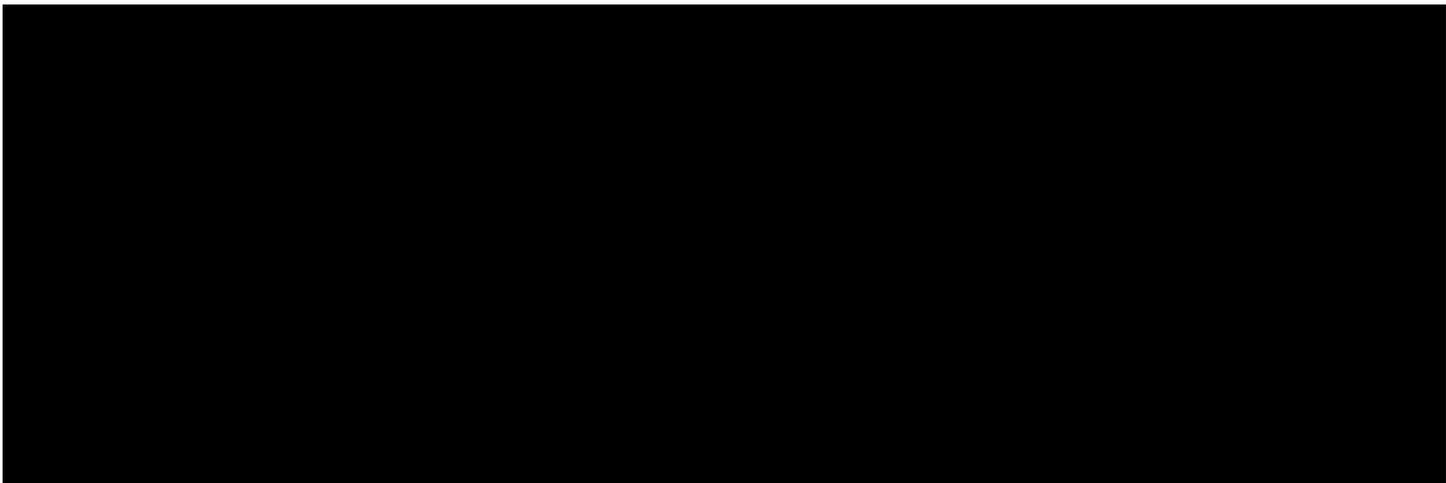
May 21, 2024

Invoice #27907

Professional Services

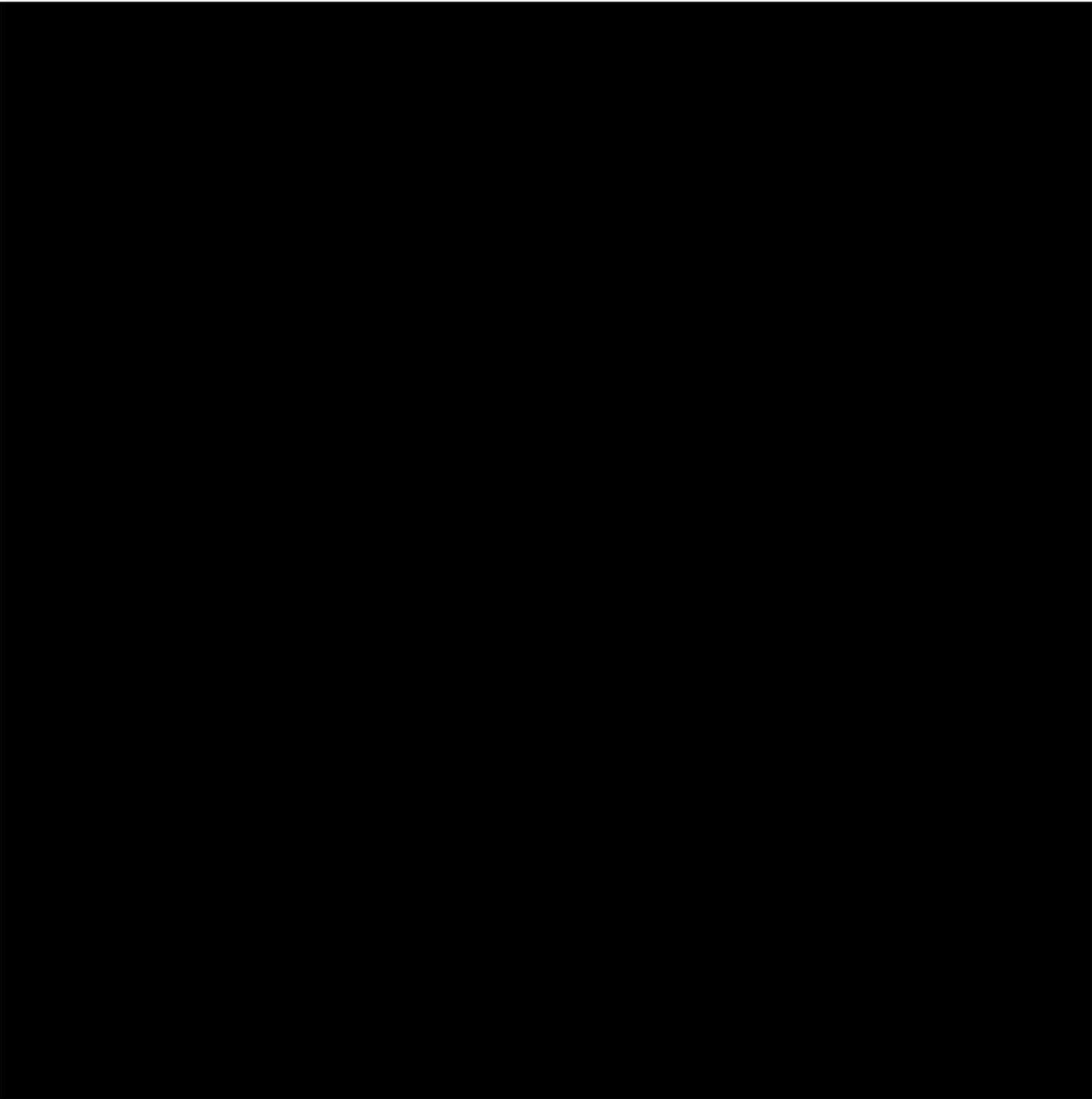
	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
4/16/2024 RAC Conference with Tom Long (Dulberg counsel)	0.25	125.00
4/17/2024 RAC Deal with request for extension and emails with court re same	0.10	50.00
4/18/2024 RAC Call with Talarico counsel and emails with court re hearing	0.25	125.00
 SUBTOTAL:	 [ 0.60	 300.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905



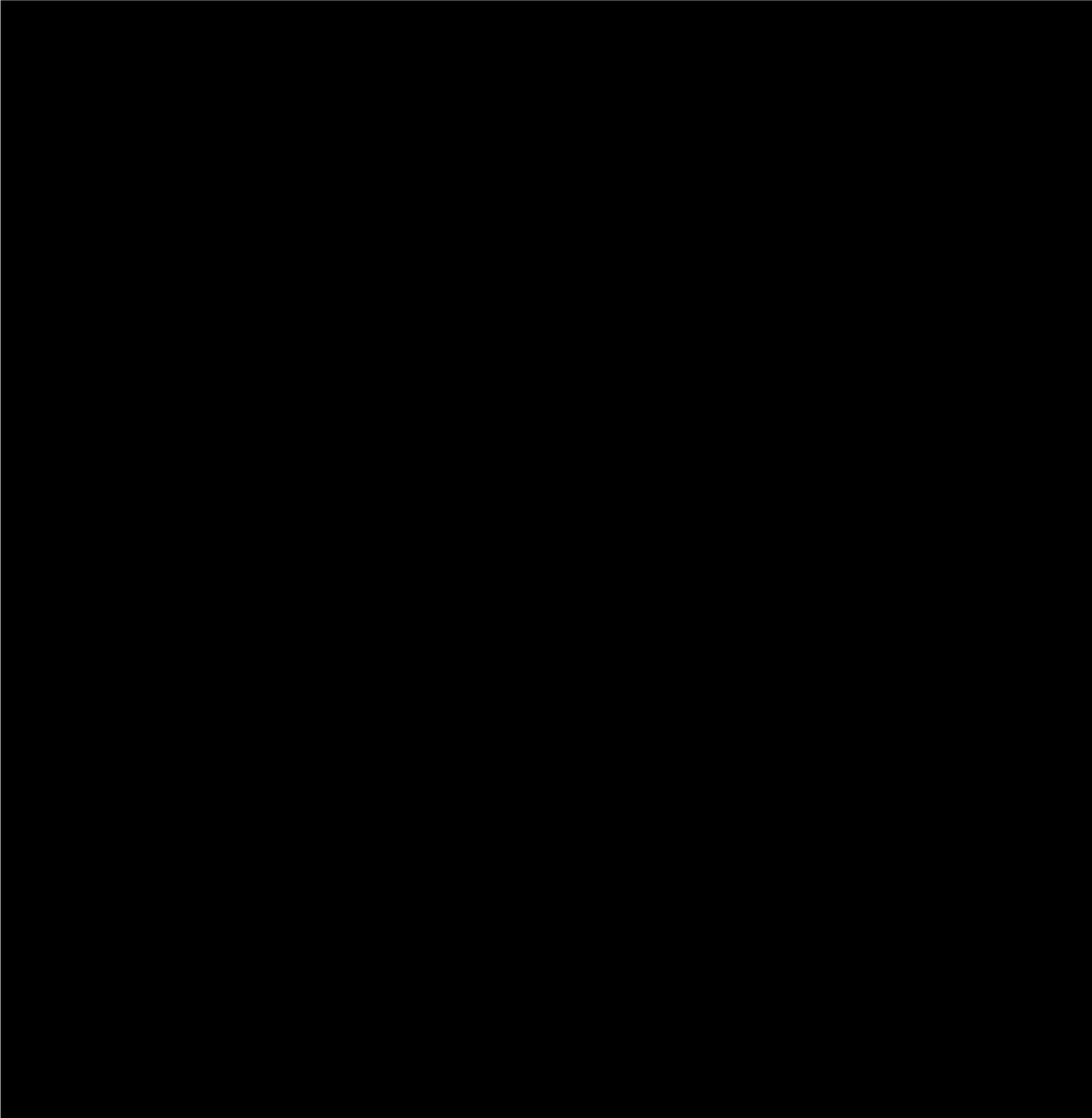
Hours      Amount

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours      Amount

FILED DATE: 2/5/2025 4:07 PM 2022L010905



3/20/2024 Payment - thank you. Check No. 36295

(\$1,727.00)

Amount



Attorney Summary

Name	Hours	Rate	Amount
<u>Robert A. Chapman</u> [Redacted]	<u>7.20</u> [Redacted]	<u>500.00</u> [Redacted]	<u>\$3,600.00</u> [Redacted]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

March 13, 2024

Invoice #27549

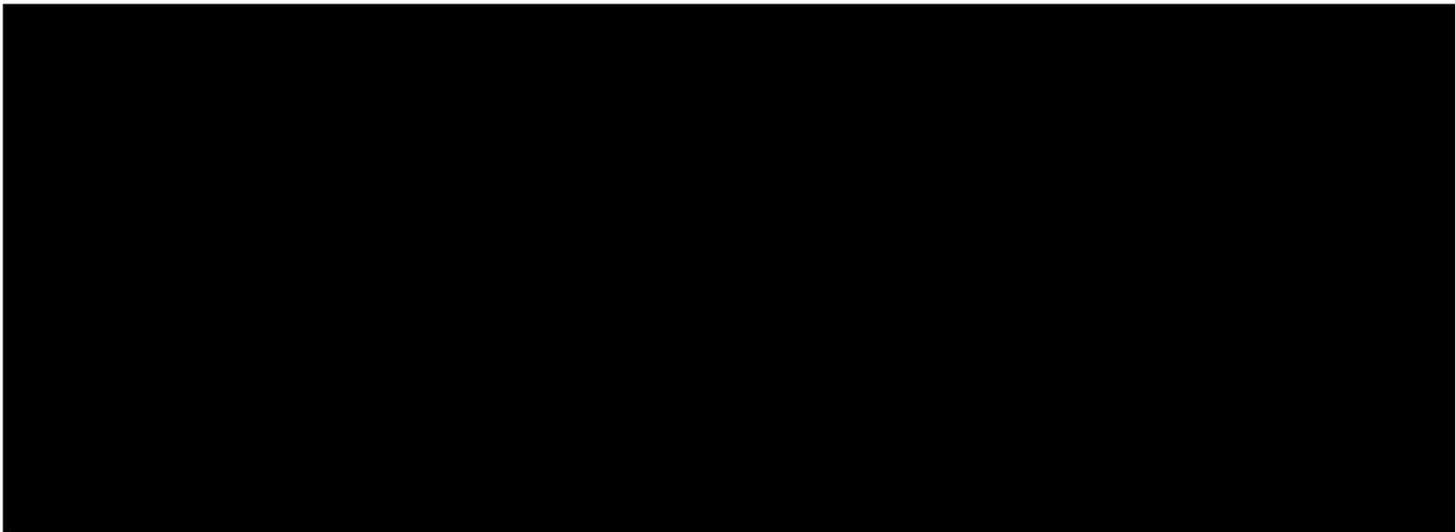
Professional Services

		<u>Hours</u>	<u>Amount</u>
	<u>Dulberg</u>		
2/1/2024	RAC Various emails with Talarico re motion to withdraw; review filings re same	0.20	100.00
2/13/2024	RAC Review response by Talarico to motion for sanctions	0.50	250.00
2/22/2024	RAC Draft reply brief; research for same	5.75	2,875.00
	STK Review and revise reply in support of sanctions motion; emails with R. Chapman re: thoughts and recommendations on same.	0.50	225.00
2/23/2024	RAC Review final filings; conference paralegal; letter to court	0.20	100.00
	WED Draft cover letter to Judge with courtesy copies of briefs re motion for sanctions, assemble courtesy copies, deliver.	0.80	108.00
2/29/2024	RAC Prepare for and attend hearing and emails with counsel re order for same	0.60	300.00
	SUBTOTAL:	[ 8.55	3,958.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours    Amount



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert A. Chapman	7.25	500.00	\$3,625.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Shannon I. Knight	0.50	450.00	\$225.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

February 16, 2024

Invoice #27493

Professional Services

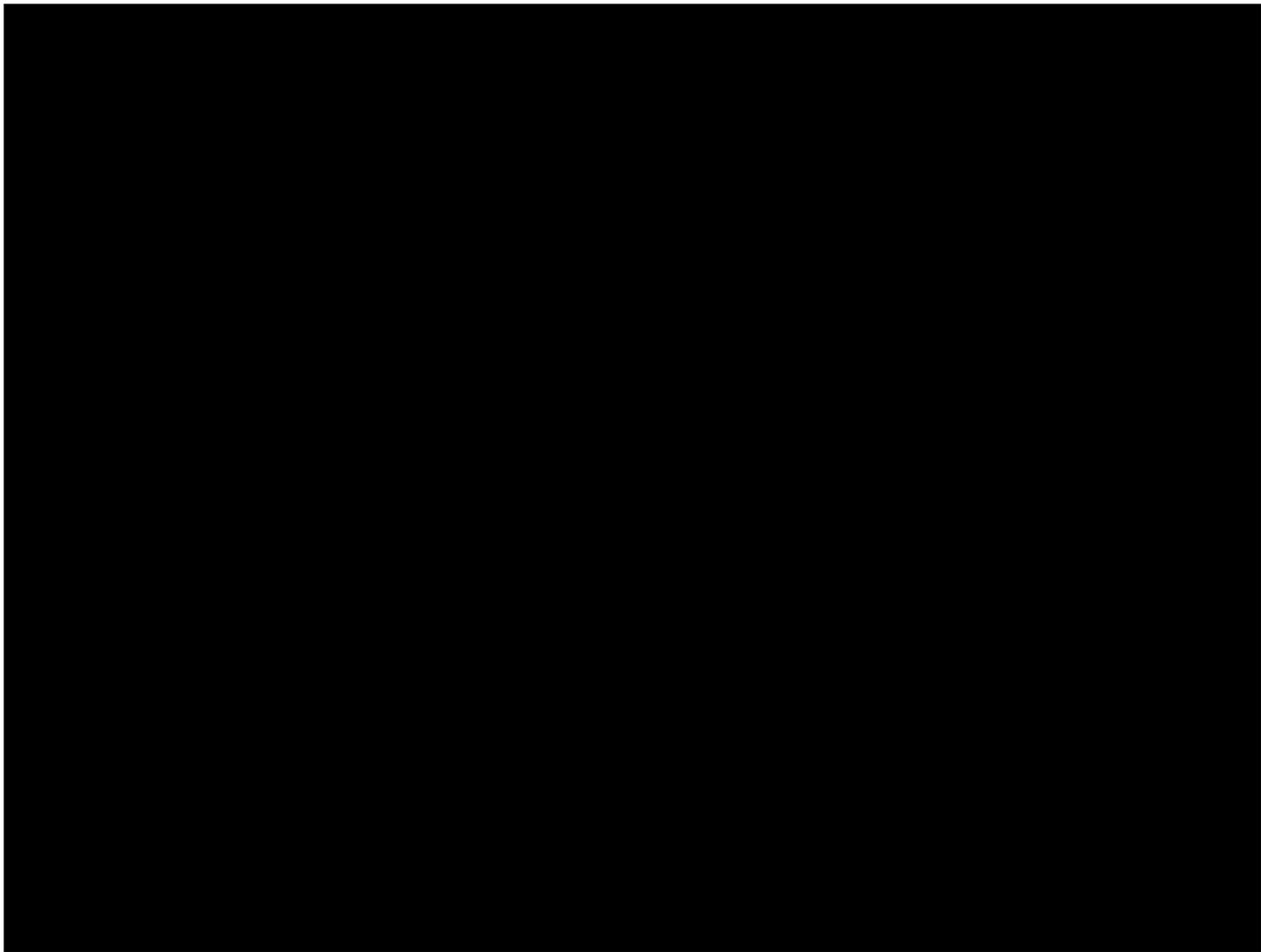
	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
1/11/2024 RAC Prepare for and attend court hearing; prepare order for same	1.00	500.00
1/25/2024 RAC Address motion to withdraw; email to opposing counsel	0.20	100.00
 SUBTOTAL:	<u>1.20</u>	<u>600.00</u>

[ 1.20 600.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

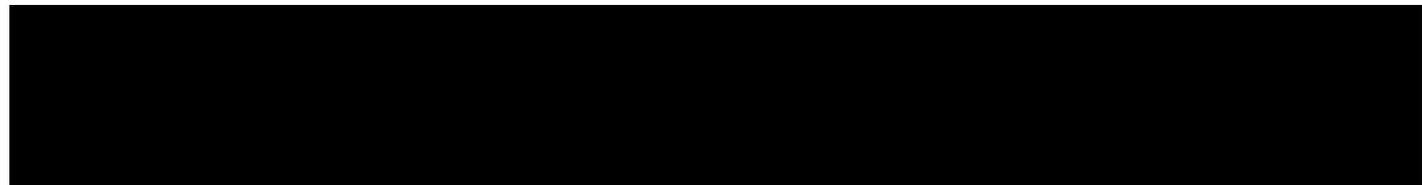


Hours    Amount



2/9/2024 Payment - thank you. Check No. 36137

(\$1,071.00)



Attorney Summary

Name	Hours	Rate	Amount
Robert A. Chapman	2.40	500.00	\$1,200.00
[Redacted]	[Redacted]	[Redacted]	[Redacted]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

January 24, 2024

Invoice #27341

Professional Services

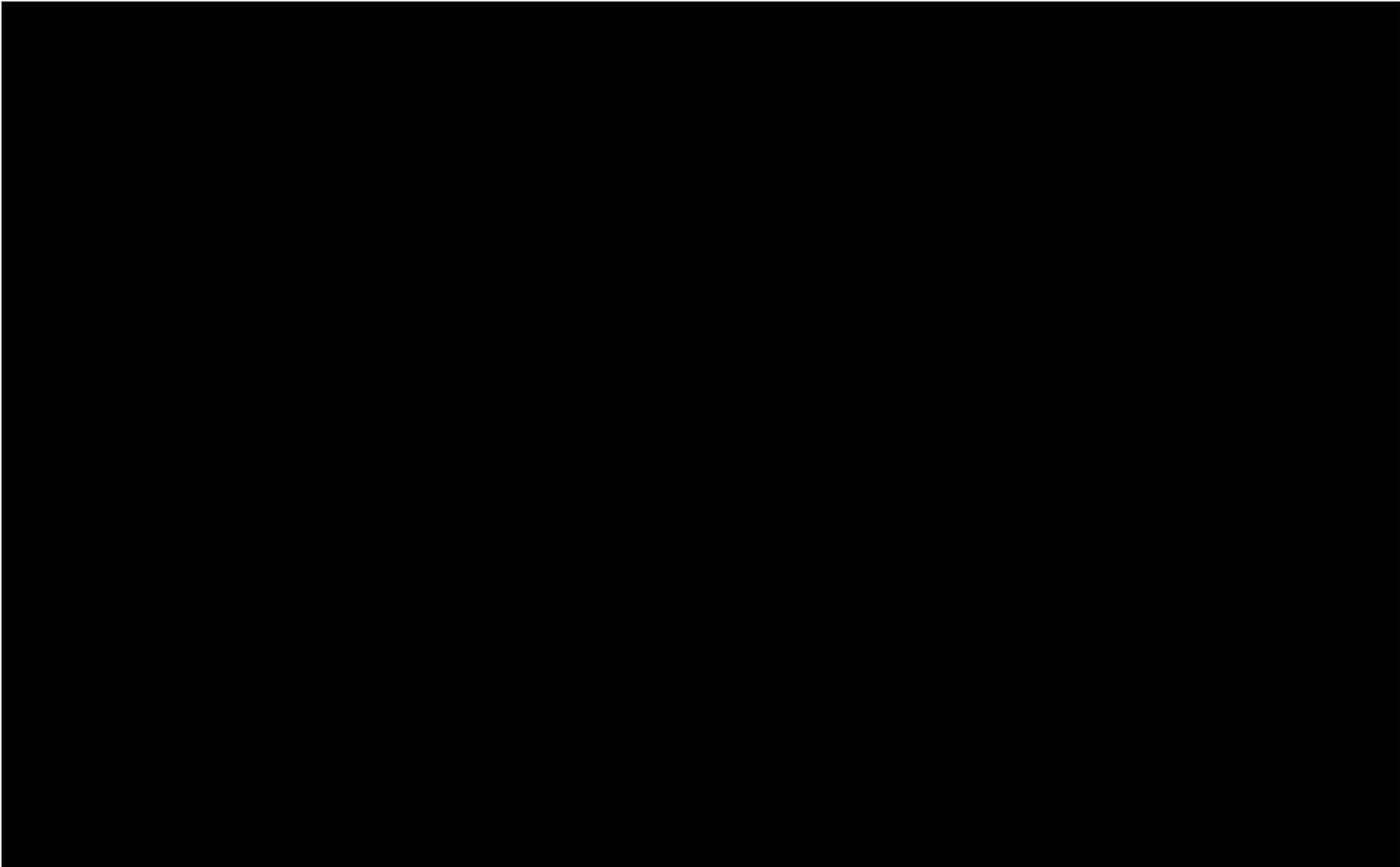
	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
12/4/2023 RAC Address Dulberg appeal	0.20	100.00
12/11/2023 RAC Review motion to consolidate appeals	0.20	100.00
12/12/2023 RAC Attend court hearing on sanctions motion	0.40	200.00
12/29/2023 RAC Review issues relating to whether Dulberg filing timely; review email from defendant's counsel	0.20	100.00
 SUBTOTAL:	 [ 1.00	 500.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours    Amount

FILED DATE: 2/5/2025 4:07 PM 2022L010905



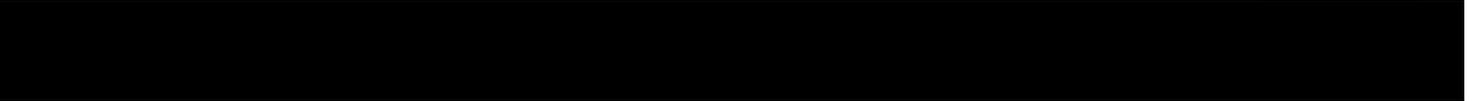
Additional Charges :

Dulberg

12/18/2023 Appearance Fee	31.00
	<hr/>
SUBTOTAL:	[ 31.00]
	<hr/>
Total costs	\$31.00



1/9/2024 Payment - thank you. Check No. 35948	(\$4,843.50)
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Amount



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert A. Chapman [REDACTED]	1.20 [REDACTED]	500.00 [REDACTED]	\$600.00 [REDACTED]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

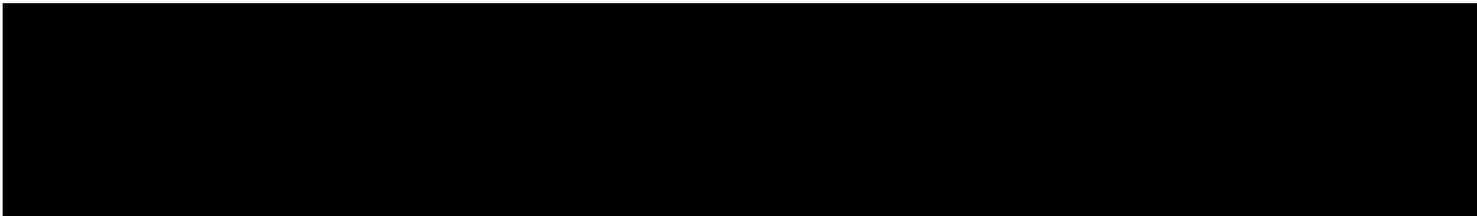
Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

December 12, 2023

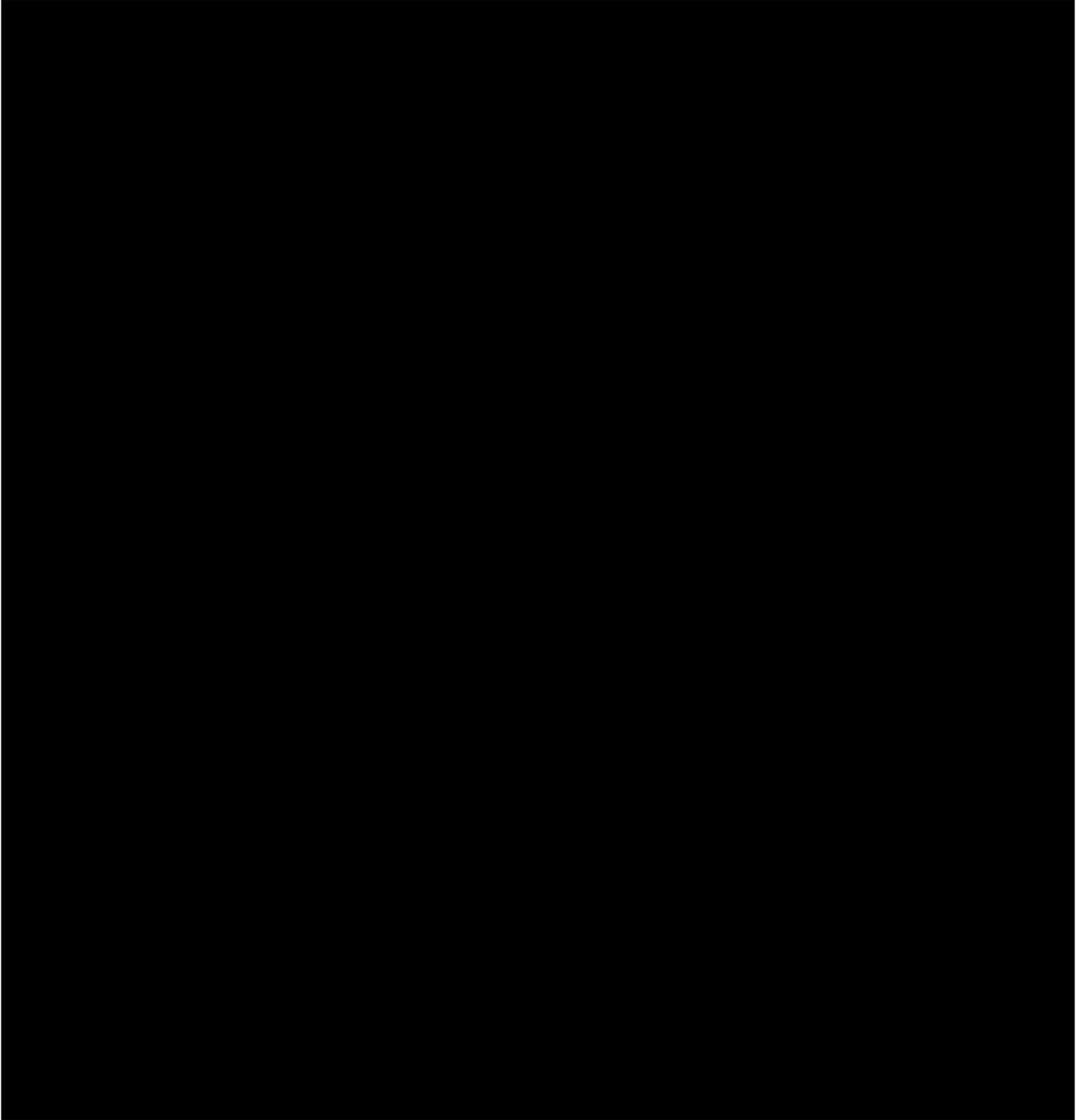
Invoice #27218

Professional Services

		<u>Hours</u>	<u>Amount</u>
	<u>Dulberg</u>		
11/1/2023	RAC Review status with client	0.20	100.00
11/13/2023	RAC Draft fee motion; research for same	0.70	350.00
11/16/2023	RAC Review and revise Petition for Sanctions; conference with STK	0.70	350.00
	STK Review Rule 137 petition; emails with R. Chapman re: thoughts and recommendations on same.	1.80	855.00
11/17/2023	RAC Final review and revision of motion	0.50	250.00
	STK Review and revise fee petition; conference with R. Chapman re: thoughts and recommendations on same; finalize sanctions motion and fee petition for filing; review issues re: service of same.	2.30	1,092.50
	SUBTOTAL:	<u>6.20</u>	<u>2,997.50</u>



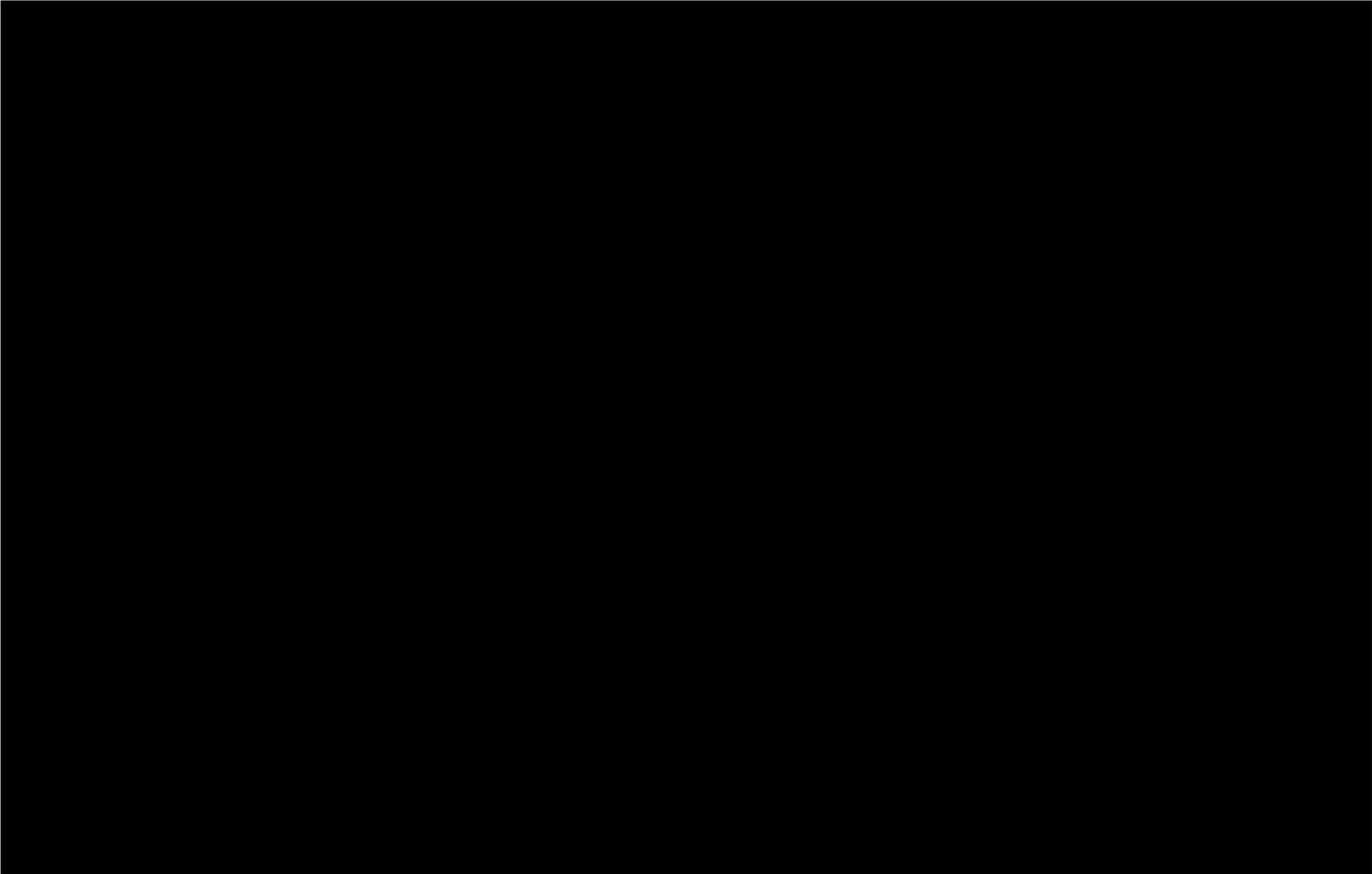
Hours Amount



FILED DATE: 2/5/2025 4:07 PM 2022L010905

Hours    Amount

FILED DATE: 2/5/2025 4:07 PM 2022L010905



11/17/2023 Payment - thank you. Check No. 35744	(\$4,199.00)
11/28/2023 Payment - thank you. Check No. 35788	(\$2,700.00)



Attorney Summary

Name	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert A. Chapman	2.40	500.00	\$1,200.00
Shannon T. Knight	4.10	475.00	\$1,947.50

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

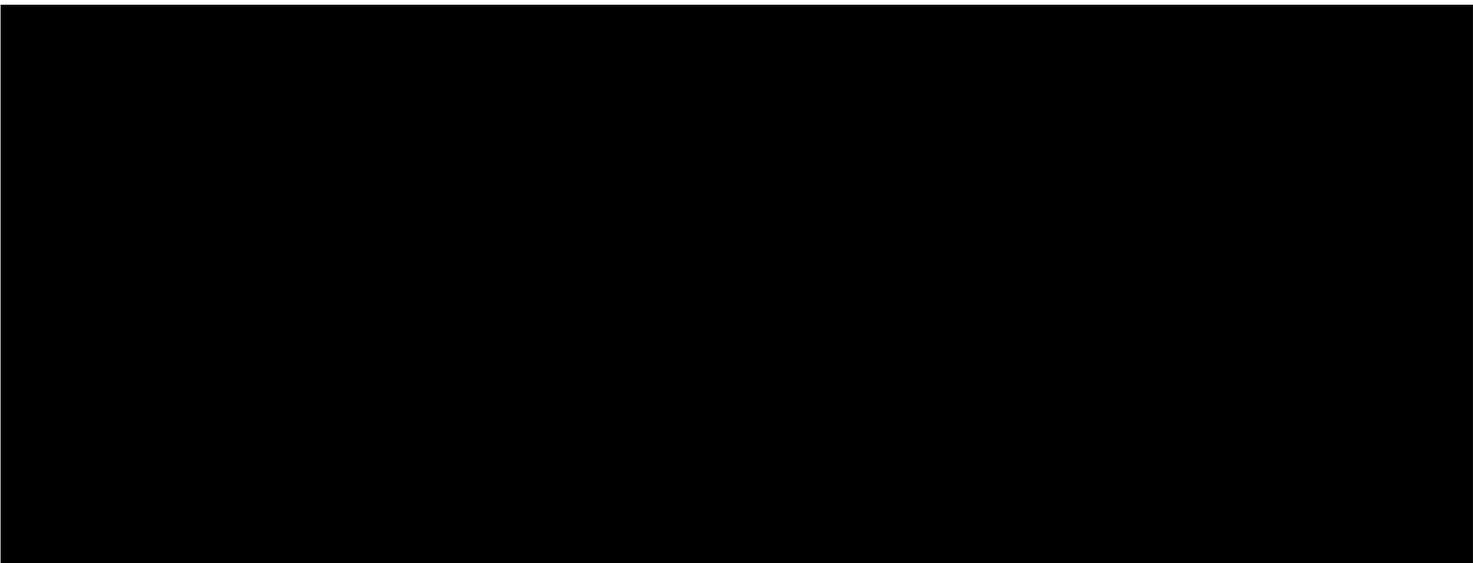
November 13, 2023

Invoice #26997

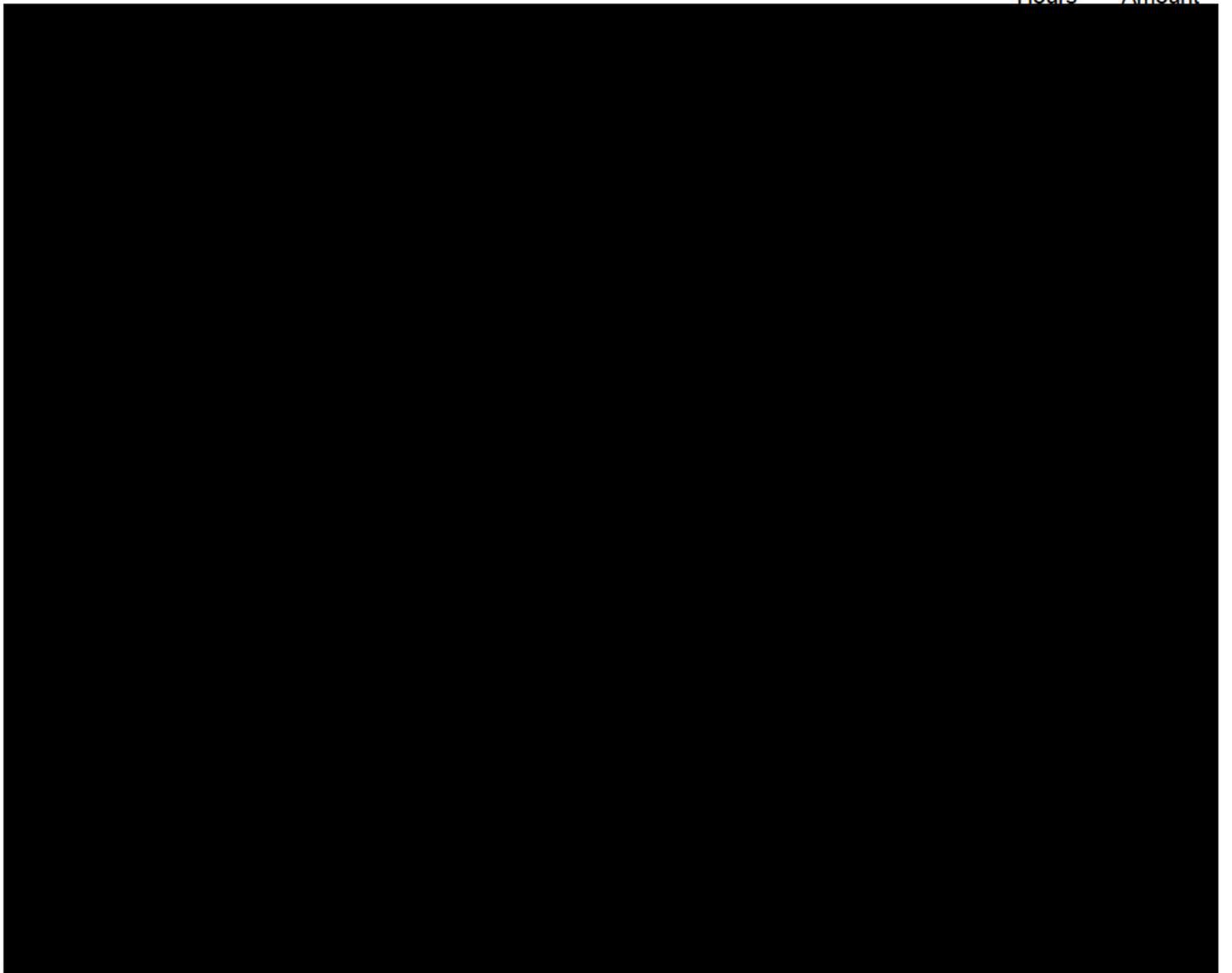
Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
10/10/2023 RAC Draft motion for status; review file for same	0.60	300.00
10/31/2023 RAC Prepare for and attend hearing and prepare order for same; review email from plaintiffs' counsel re jurisdiction and review previously filed notice of appeal joinder; email with client	0.90	450.00
 SUBTOTAL:	 [ 1.50	 750.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours Amount



Attorney Summary

Name	Hours	Rate	Amount
[REDACTED] Robert A. Chapman	3.80	500.00	\$1,900.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

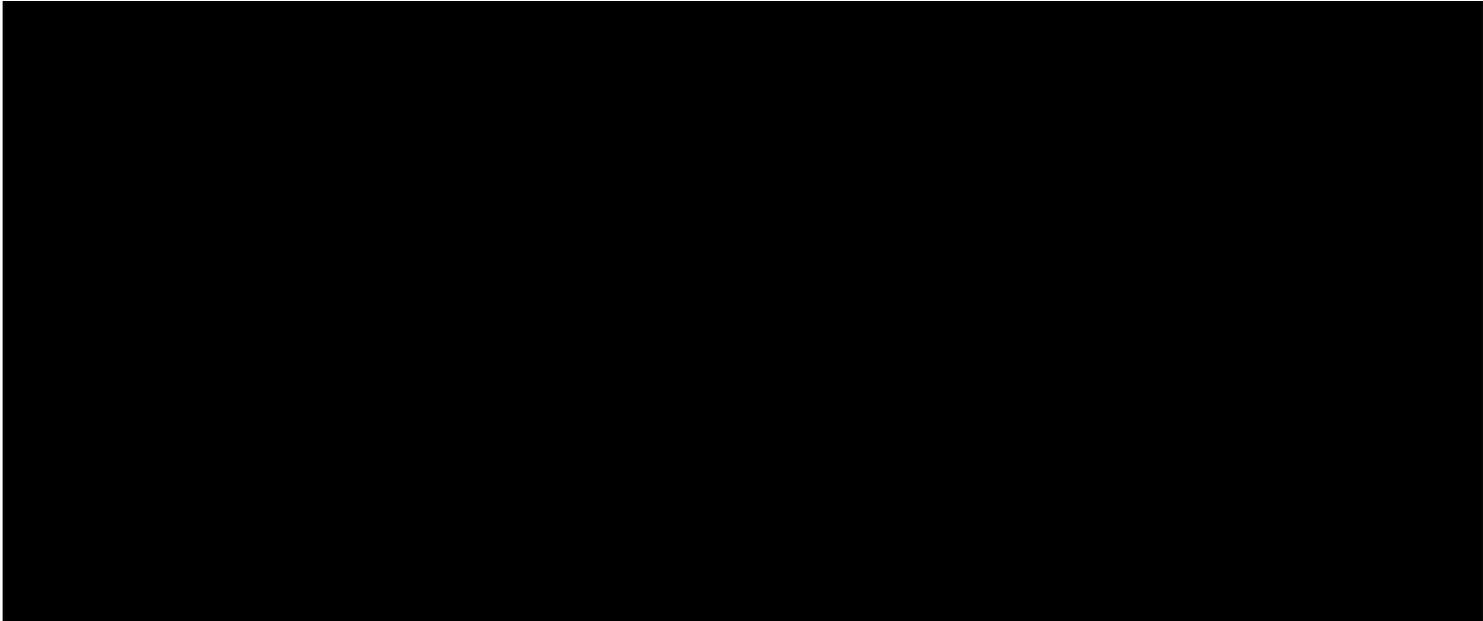
Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

October 9, 2023

Invoice #26796

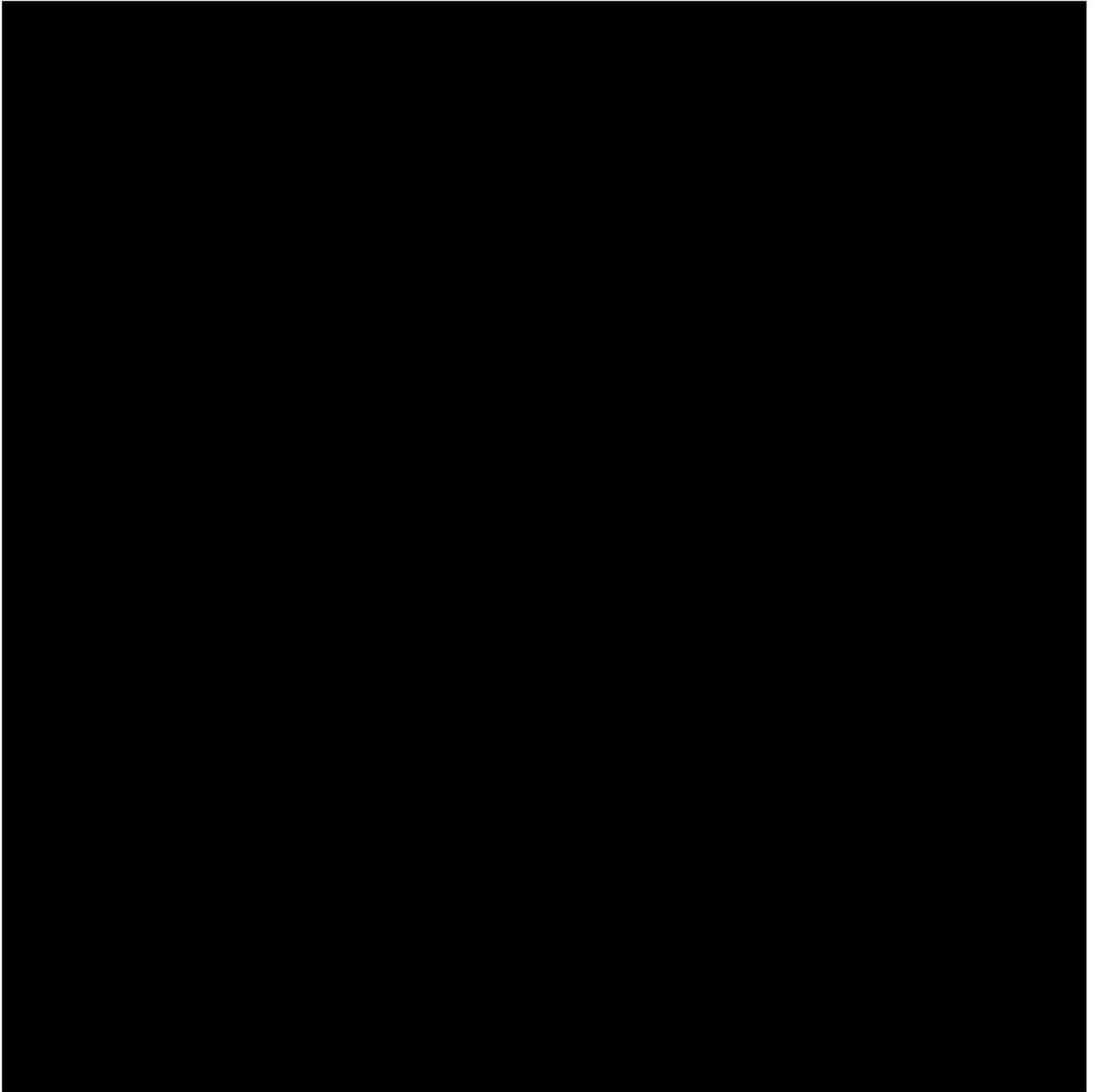
Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
9/21/2023 RAC Address status following court order granting Allstate motion for summary judgment; emails with Allstate counsel	0.25	125.00
<b>SUBTOTAL:</b>	<u>0.25</u>	<u>125.00</u>



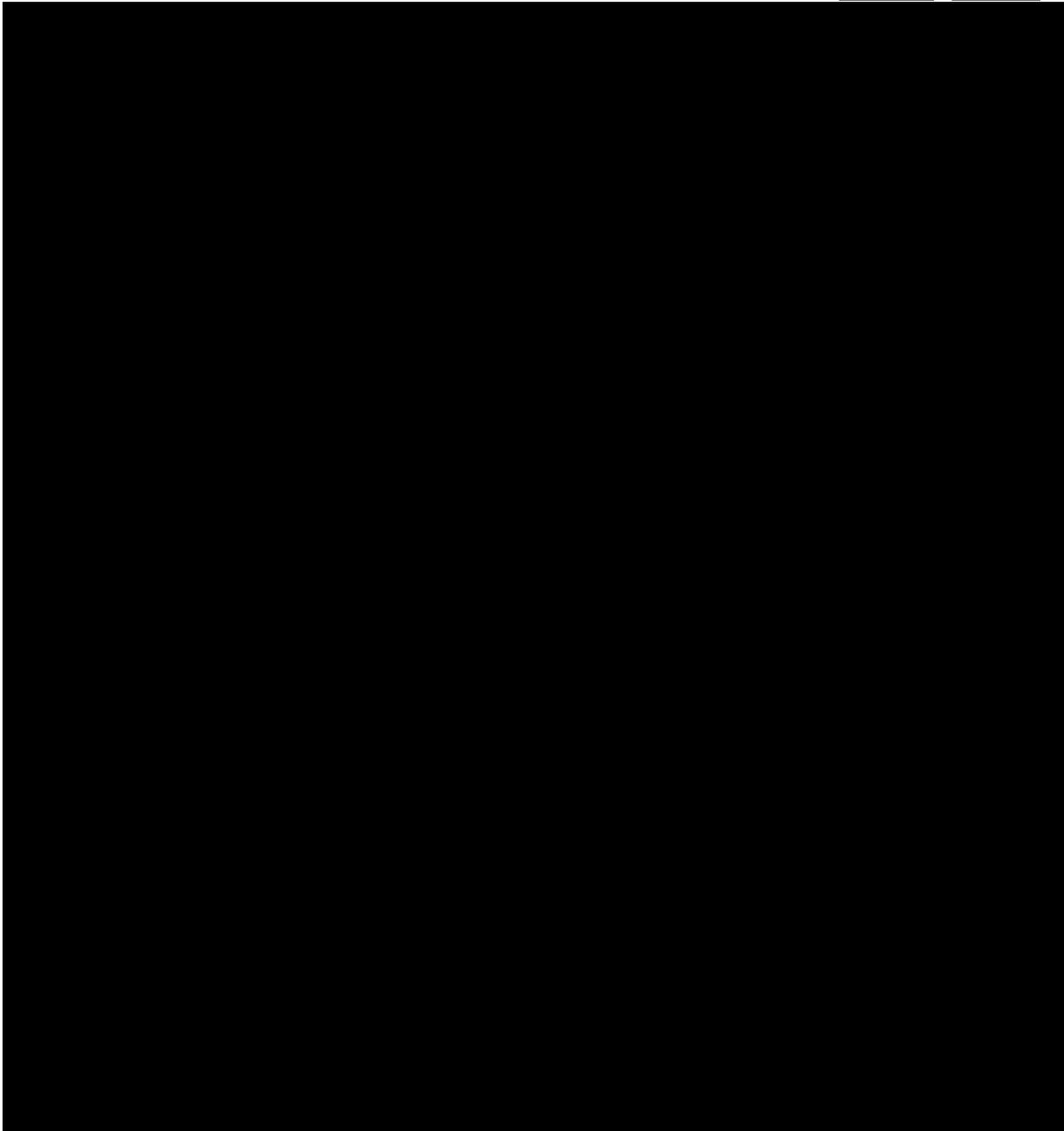
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FILED DATE: 2/5/2025 4:07 PM 2022L010905

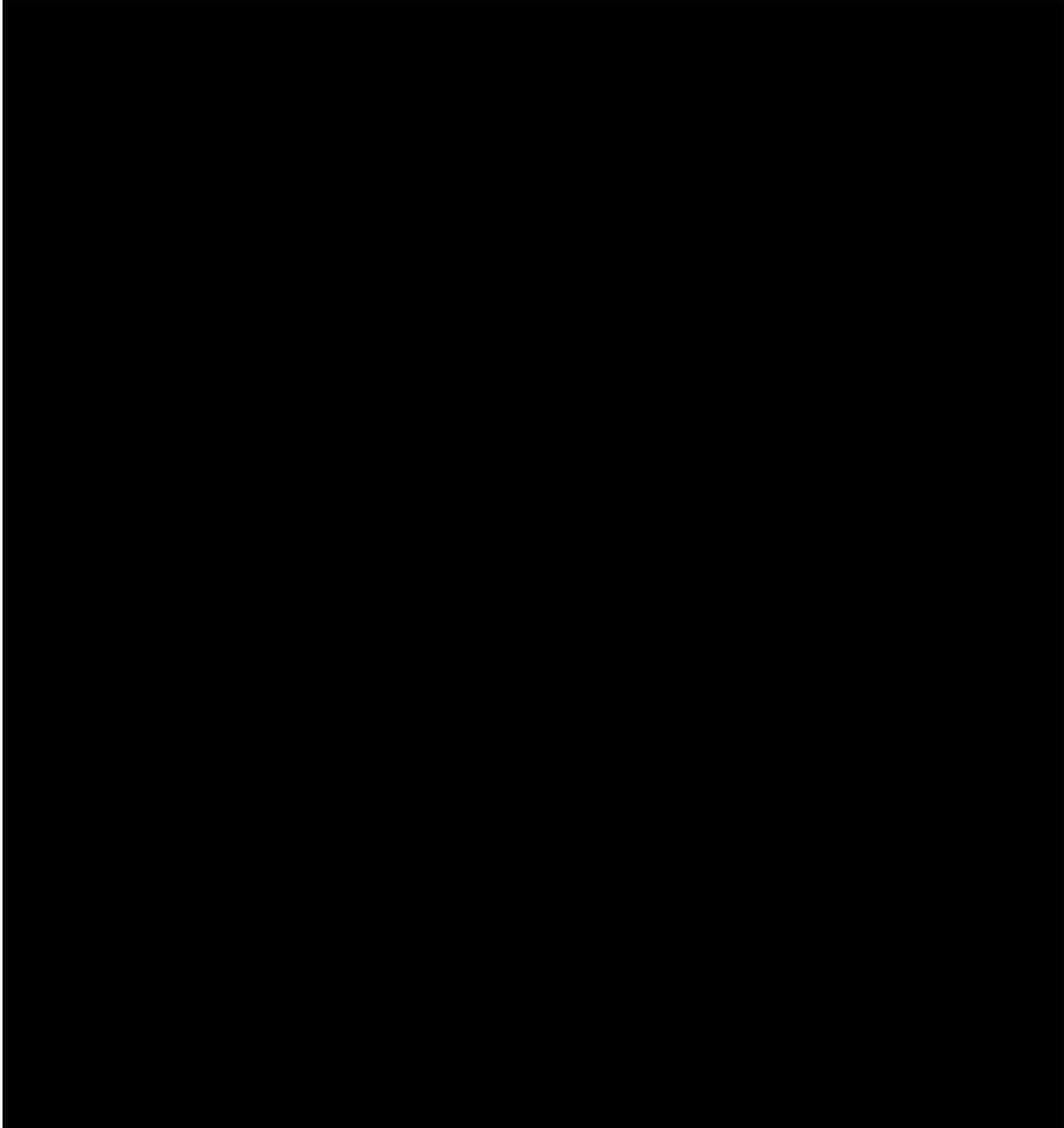


Hours   Amount

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours Amount

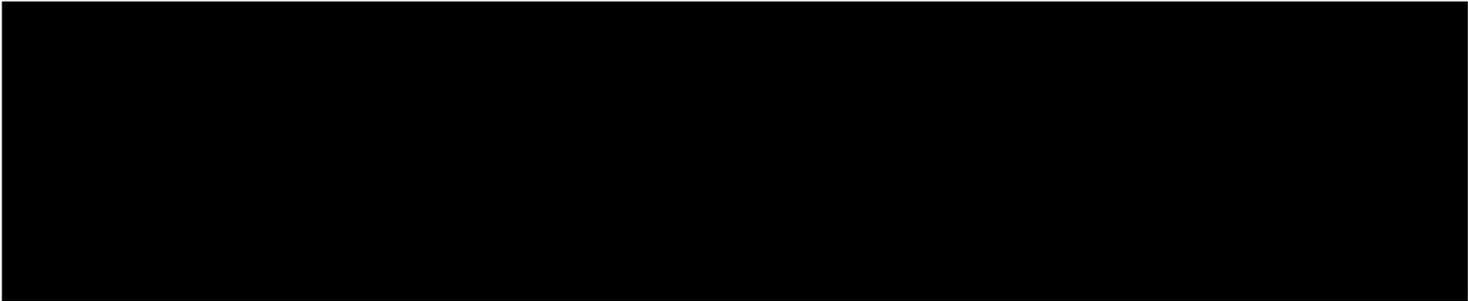


8/23/2023 Payment - thank you. Check No. 35304

(\$4,607.50)

FILED DATE: 2/5/2025 4:07 PM 2022L010905

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Attorney Summary

Name	Hours	Rate	Amount
Robert A. Chapman	0.85	500.00	\$425.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

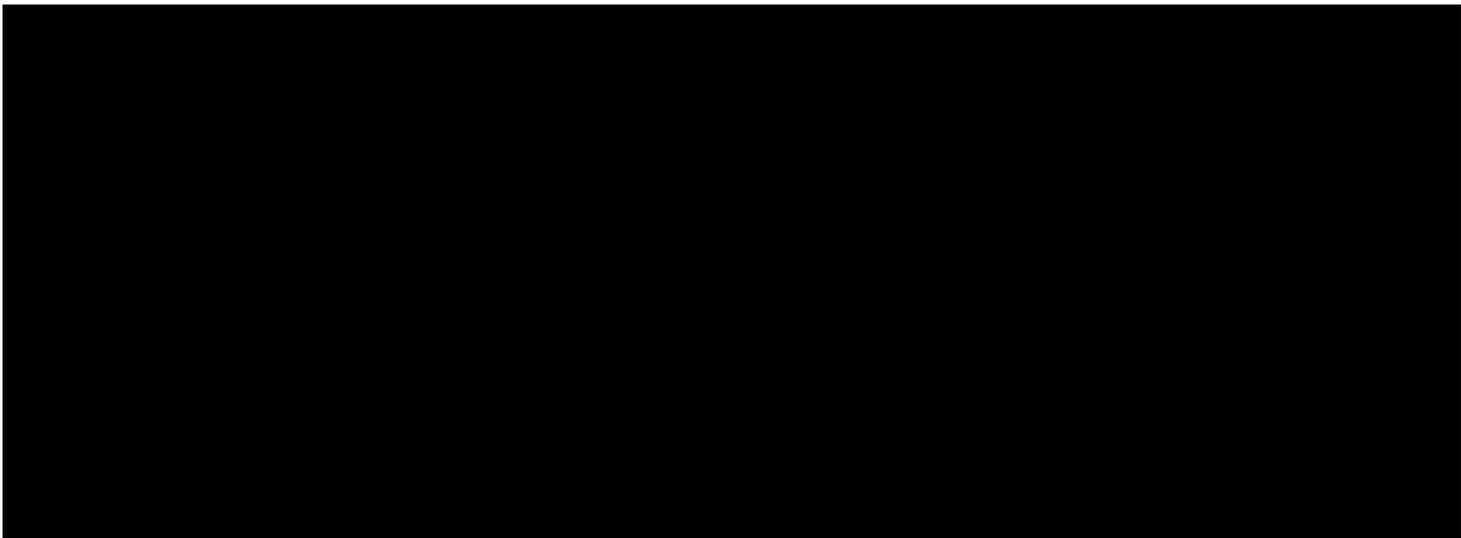
August 10, 2023

Invoice #26532

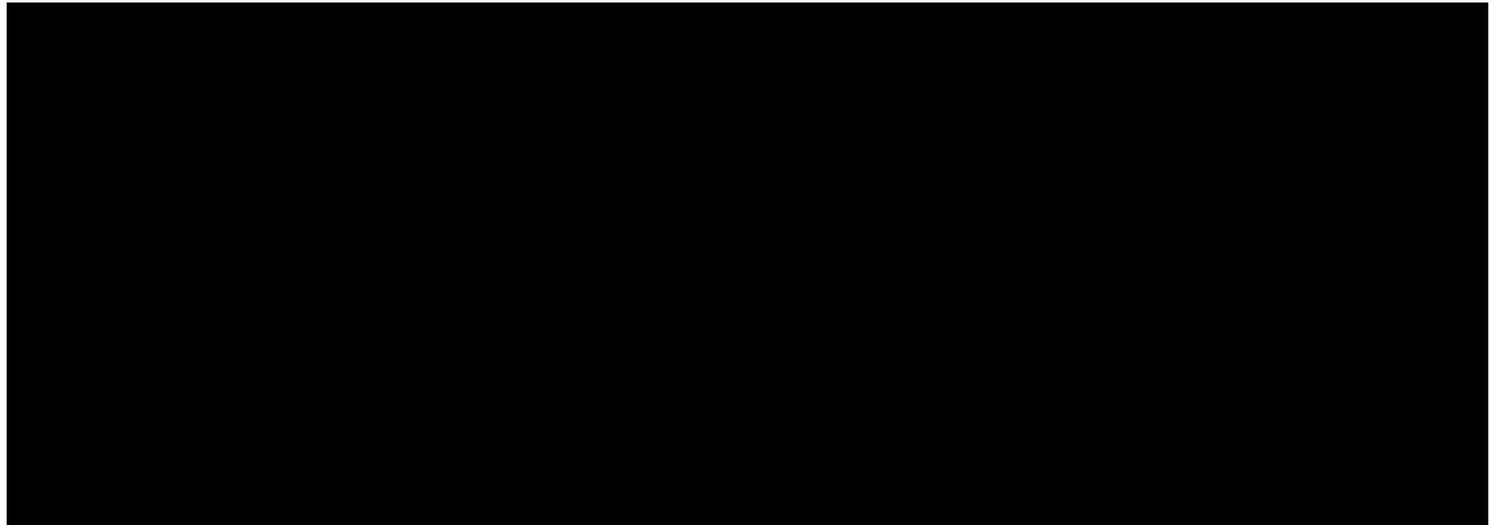
Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
7/7/2023 RAC Review Baudin reply	0.20	100.00
7/27/2023 RAC Telephone with Dulberg counsel re request for extension	0.20	100.00
7/31/2023 RAC Attend court hearing	0.70	350.00
 SUBTOTAL:	<u>1.10</u>	<u>550.00</u>

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours    Amount



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert A. Chapman	6.20	500.00	\$3,100.00

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

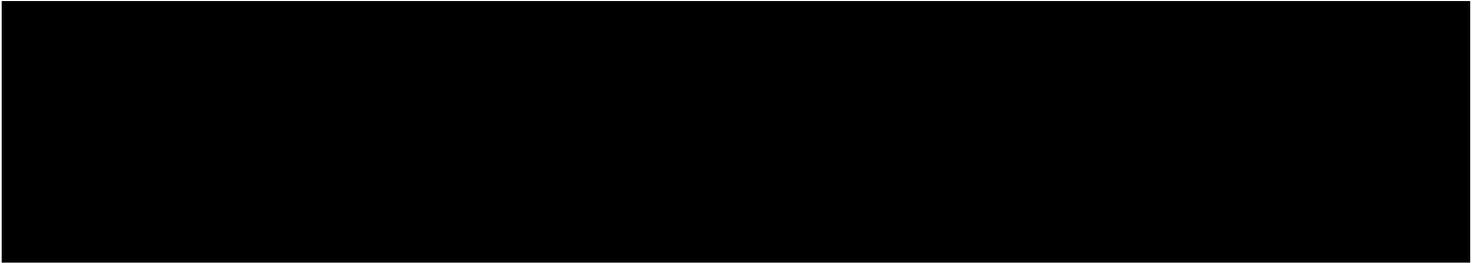
Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

July 17, 2023

Invoice #26469

Professional Services

Hours      Amount



Dulberg

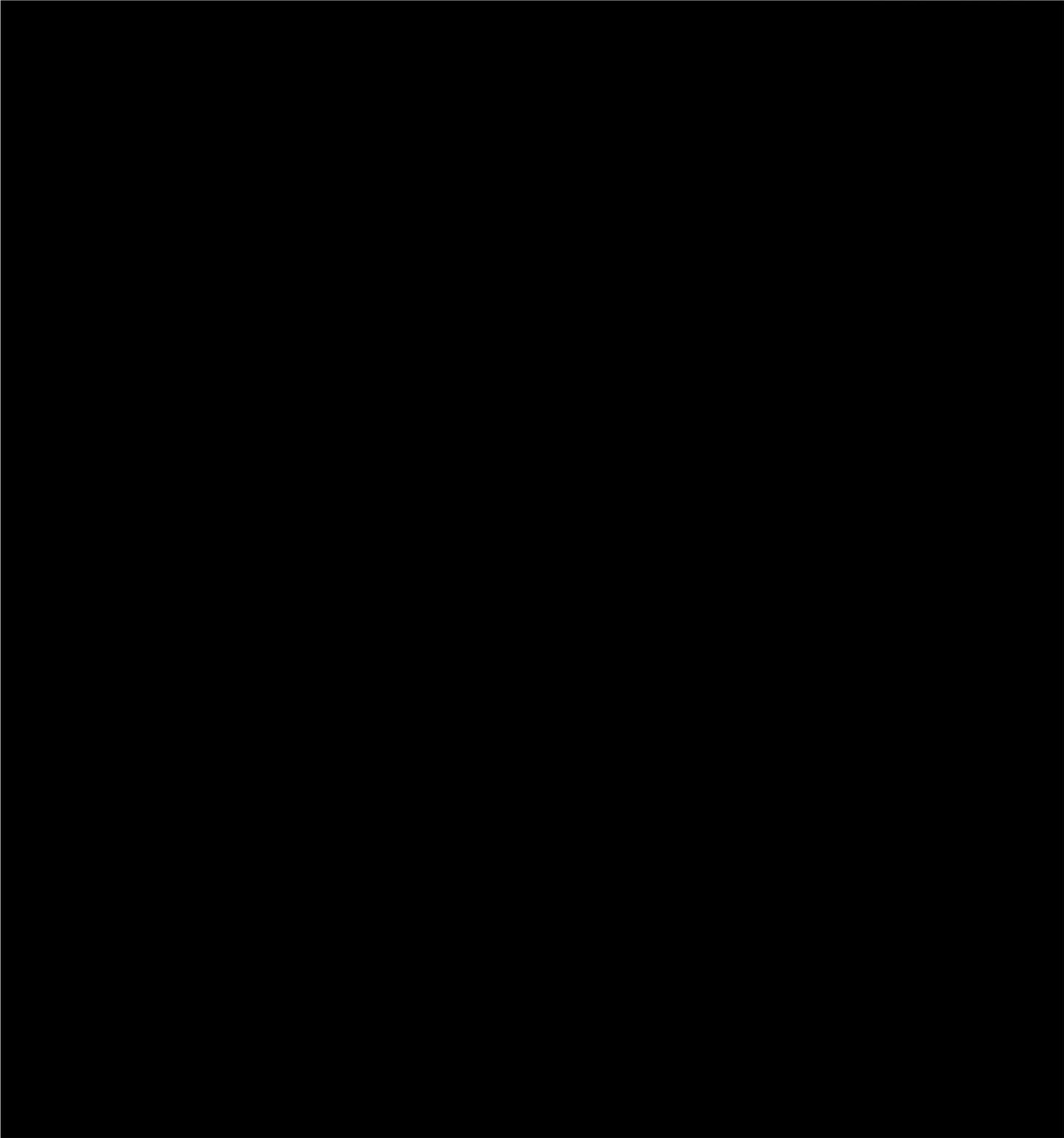
6/5/2023 RAC	Review motion filed by Allstate	0.25	125.00
6/6/2023 RAC	Review Allstate motion	0.20	100.00

SUBTOTAL: [ 0.45      225.00]



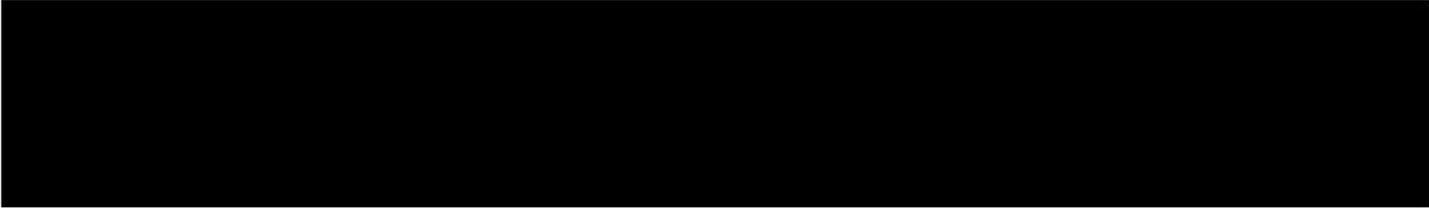
FILED DATE: 2/5/2025 4:07 PM 2022L010905

Hours Amount



FILED DATE: 2/5/2025 4:07 PM 2022L010905

Hours    Amount

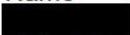


7/5/2023 Payment - thank you. Check No. 35159

(\$12,547.75)



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
 Robert A. Chapman	7.15	500.00	\$3,575.00
			

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

June 23, 2023

Invoice #26366

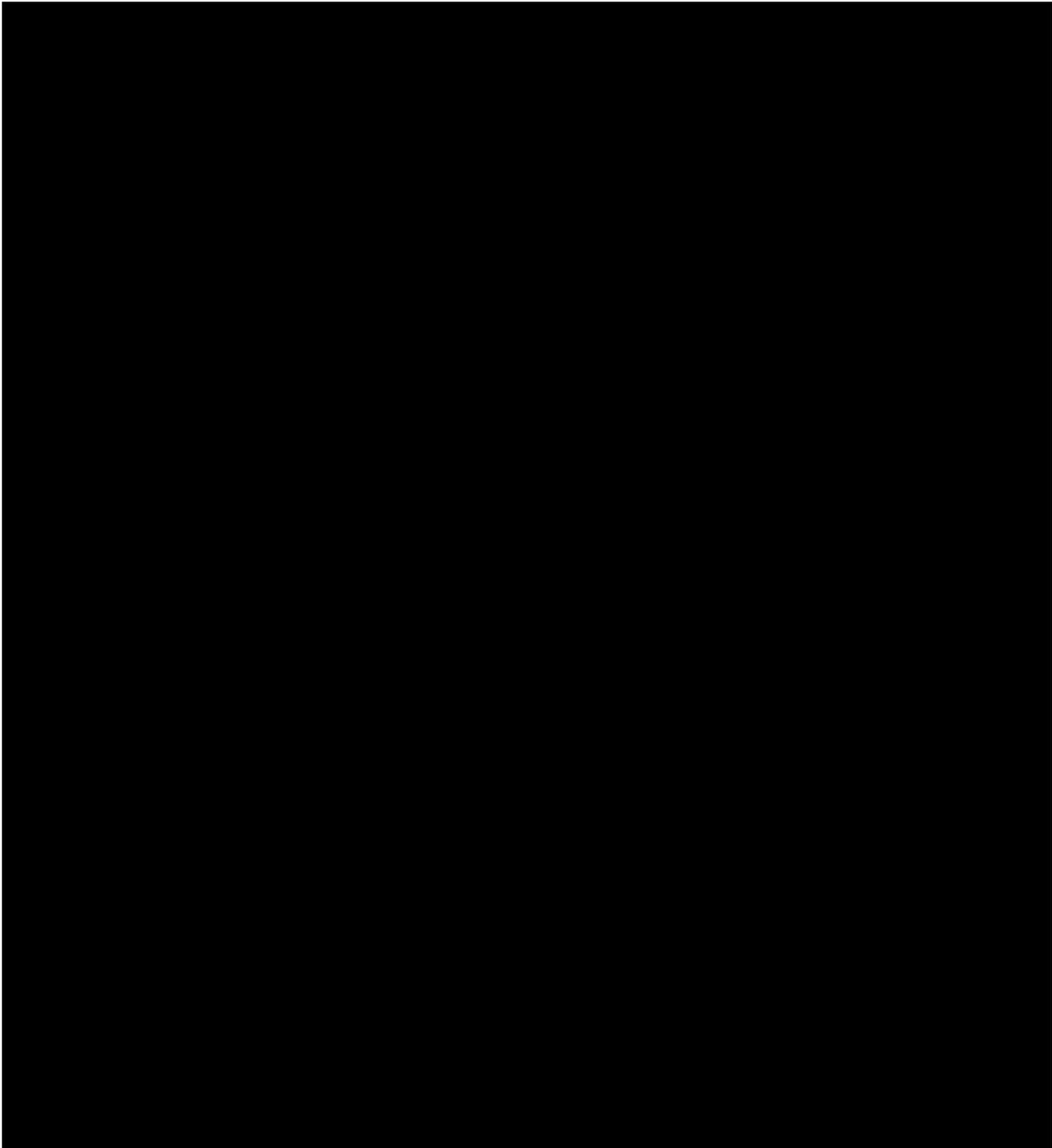
Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
5/5/2023 RAC Work on reply brief	1.20	600.00
5/9/2023 RAC Review and finalize reply brief and review response of attorney defendants	1.10	550.00
STK Review and revise reply in support of motion to dismiss; email R. Chapman re: recommendations on same.	1.00	500.00
5/24/2023 RAC Prepare for hearing	1.00	500.00
5/25/2023 RAC Prepare for hearing and hearing on motion to dismiss	1.30	650.00
5/30/2023 RAC Emails with Allstate counsel re release; emails with MB re same	0.20	100.00
 SUBTOTAL:	 <u>5.80</u>	 <u>2,900.00</u>

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours      Amount



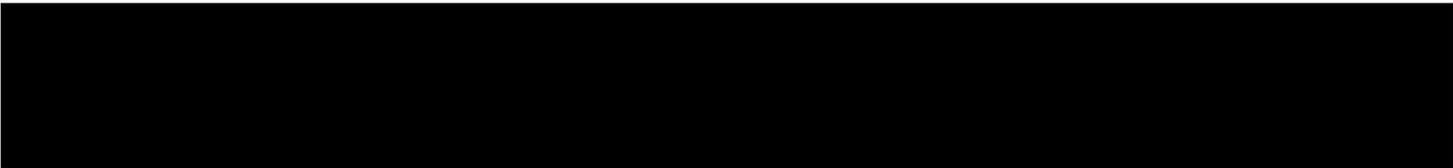
FILED DATE: 2/5/2025 4:07 PM 2022L010905

Hours      Amount



6/16/2023 Payment - thank you. Check No. 35081

(\$4,351.00)



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Robert A. Chapman	11.85	500.00	\$5,925.00
Shannon I. Knight	8.50	500.00	\$4,250.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

May 16, 2023

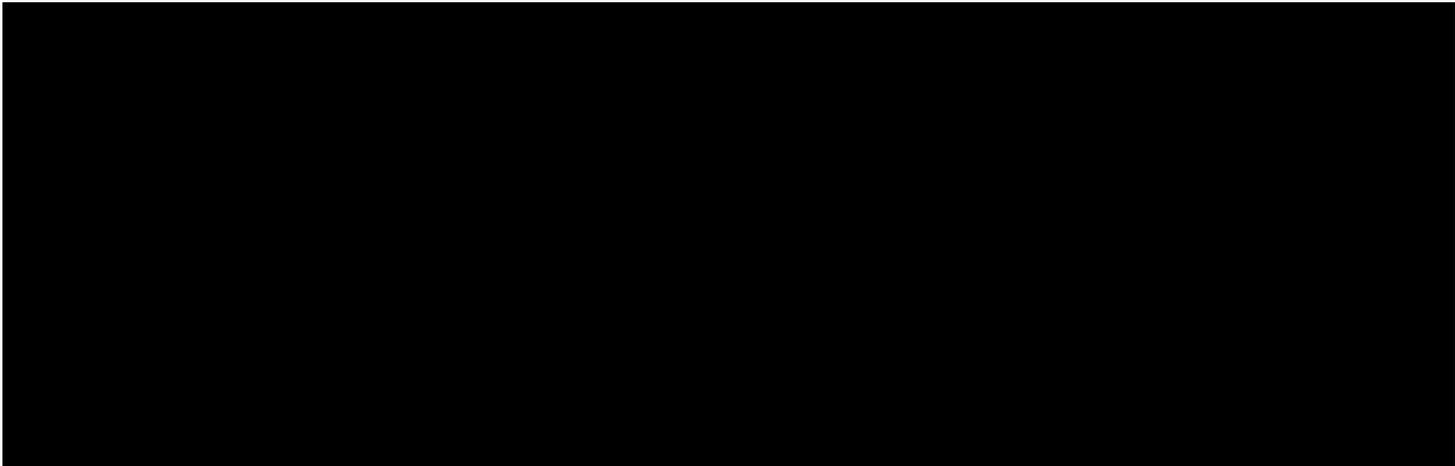
Invoice #26259

Professional Services

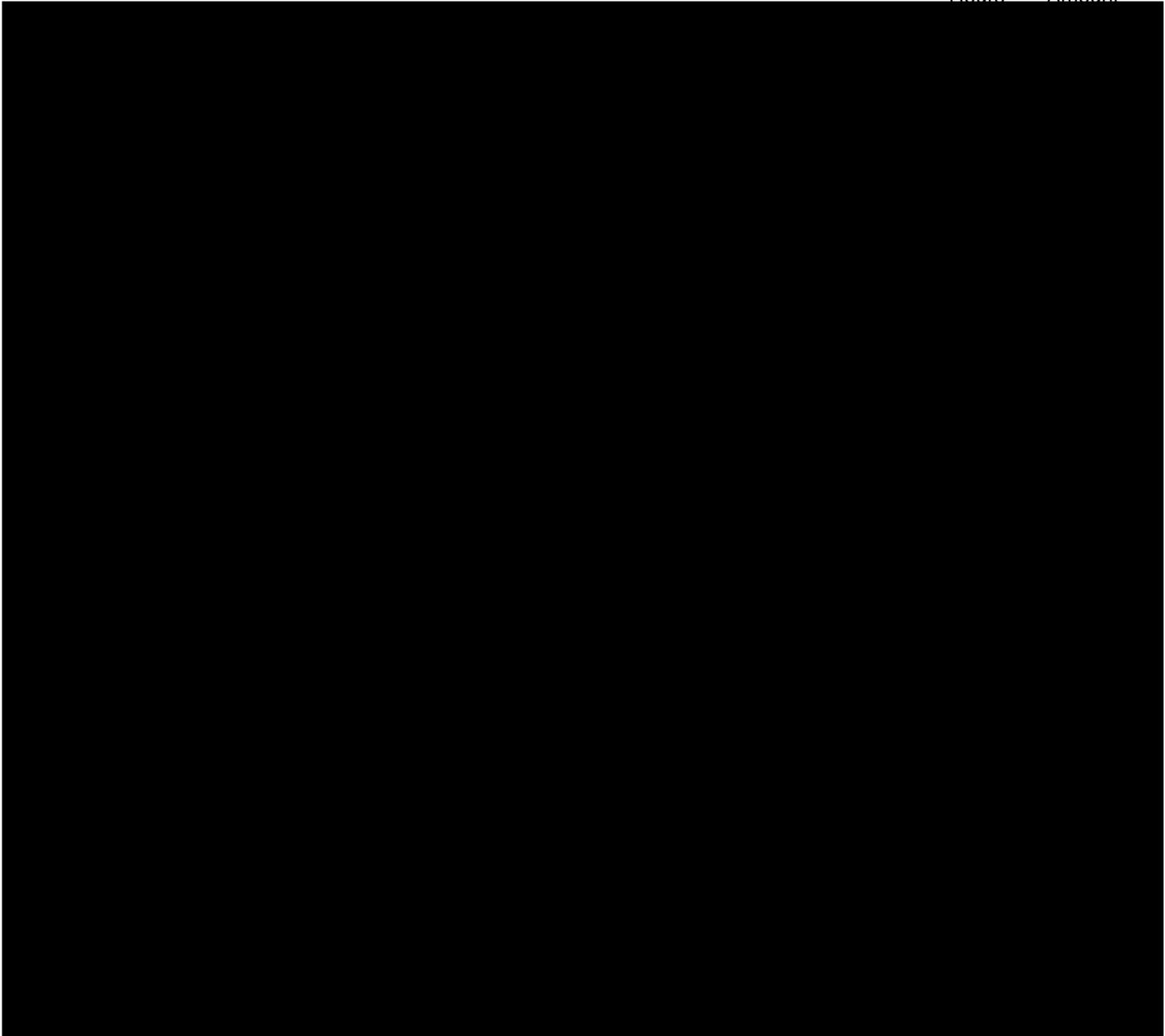
	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
4/4/2023 RAC Conference with MB re status	0.10	50.00
4/23/2023 RAC Emails with opposing counsel	0.20	100.00
4/25/2023 RAC Review plaintiffs' responses to motions to dismiss	0.80	400.00
4/26/2023 RAC Review Dulberg responses to various motions to dismiss, including ADR	1.00	500.00
 SUBTOTAL:	<u>2.10</u>	<u>1,050.00</u>

[ 2.10 1,050.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours Amount



4/25/2023 Payment - thank you. Check No. 34888

(\$2,635.00)



FILED DATE: 2/5/2025 4:07 PM 2022L010905

Attorney Summary

Name	Hours	Rate	Amount
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Robert A. Chapman	4.00	500.00	\$2,000.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

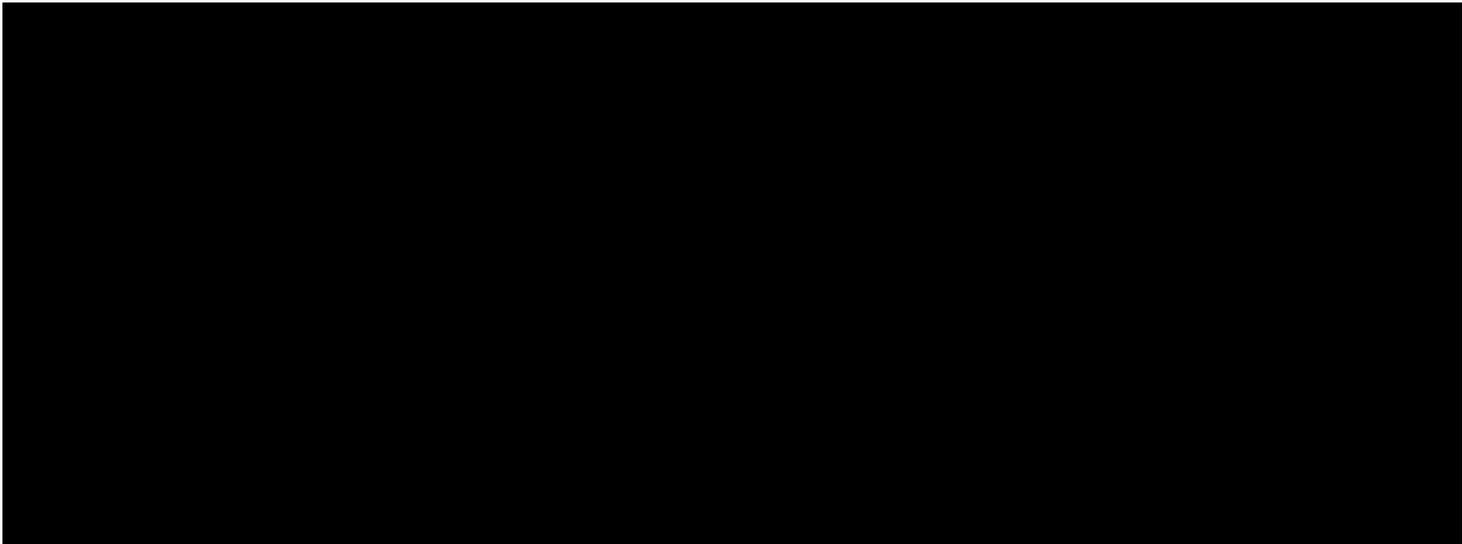
April 17, 2023

Invoice #26121

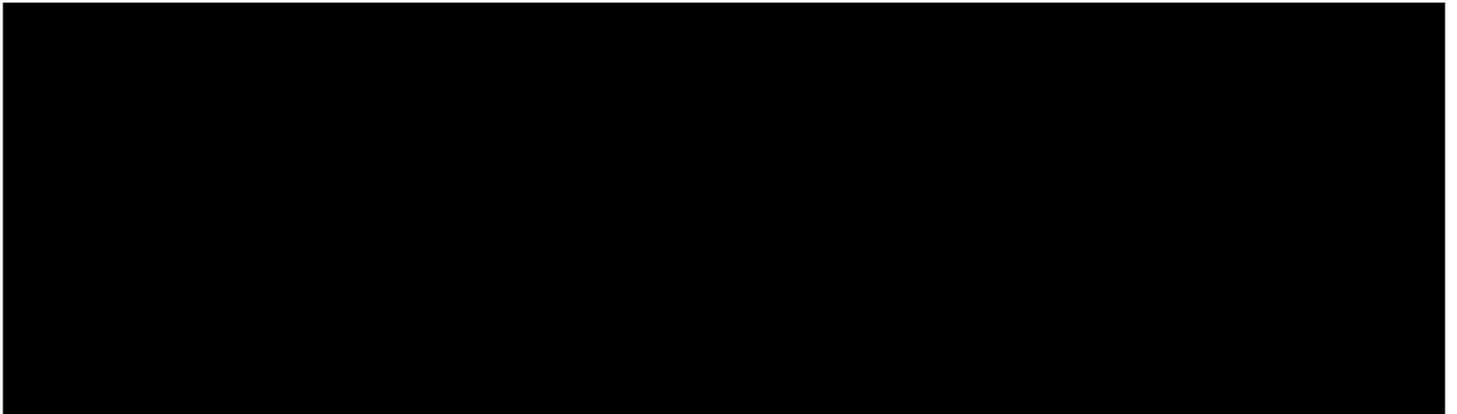
Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
3/7/2023 RAC Deal with scheduling orders; conference opposing counsel	0.20	100.00
3/27/2023 RAC Prepare for hearing; review MTD and Complaint	0.50	250.00
3/28/2023 RAC Prepare for and attend hearing; conference with counsel re order	0.80	400.00
 SUBTOTAL:	<u>1.50</u>	<u>750.00</u>

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours    Amount



4/5/2023 Payment - thank you. Check No. 34801

(\$5,710.25)



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
			
Robert A. Chapman	3.05	500.00	\$1,525.00
			

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

March 21, 2023

Invoice #25987

Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
2/1/2023 RAC Deal with service issues of MTD	0.20	100.00
2/4/2023 RAC Review filings by plaintiff	0.20	100.00
2/6/2023 RAC Address various motions including transfer to commercial division; conference MB re status	0.20	100.00
2/7/2023 RAC Review court orders/emails re transfer	0.10	50.00
2/9/2023 RAC Emails with court re conflict	0.20	100.00
2/15/2023 RAC Review filing status of MTD and emails with MB	0.20	100.00
2/22/2023 RAC Draft motion to dismiss	1.50	750.00
2/23/2023 RAC Draft motion to dismiss; research for same.	2.00	1,000.00
2/24/2023 RAC Review, revise and finalize motion to dismiss; conference with JO	1.50	750.00
2/27/2023 RAC Review Allstate filing; emails with MB re sanctions	0.20	100.00
 SUBTOTAL:	 [ 6.30	 3,150.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

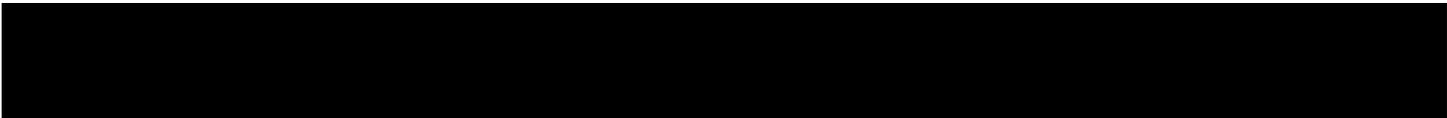
Hours Amount



Additional Charges :

Dulberg

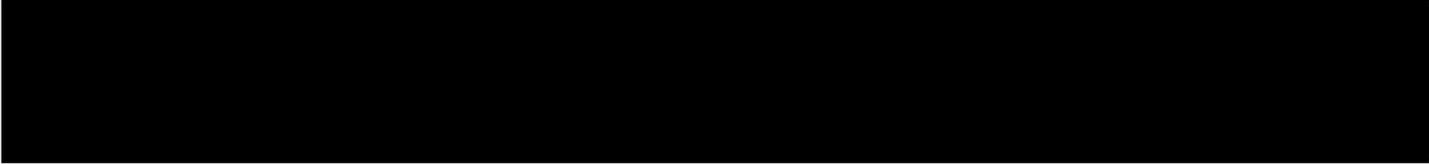
2/1/2023 Appearance Fee	250.25
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SUBTOTAL:	[ 250.25]
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Total costs	\$250.25



2/21/2023 Payment - thank you. Check No. 34594	(\$2,945.75)
3/21/2023 Payment - thank you. Check No. 34735	(\$2,517.50)



FILED DATE: 2/5/2025 4:07 PM 2022L010905



Attorney Summary

Name	Hours	Rate	Amount
[REDACTED] Robert A. Chapman [REDACTED]	9.20 [REDACTED]	500.00 [REDACTED]	\$4,600.00 [REDACTED]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

February 13, 2023

Invoice #25764

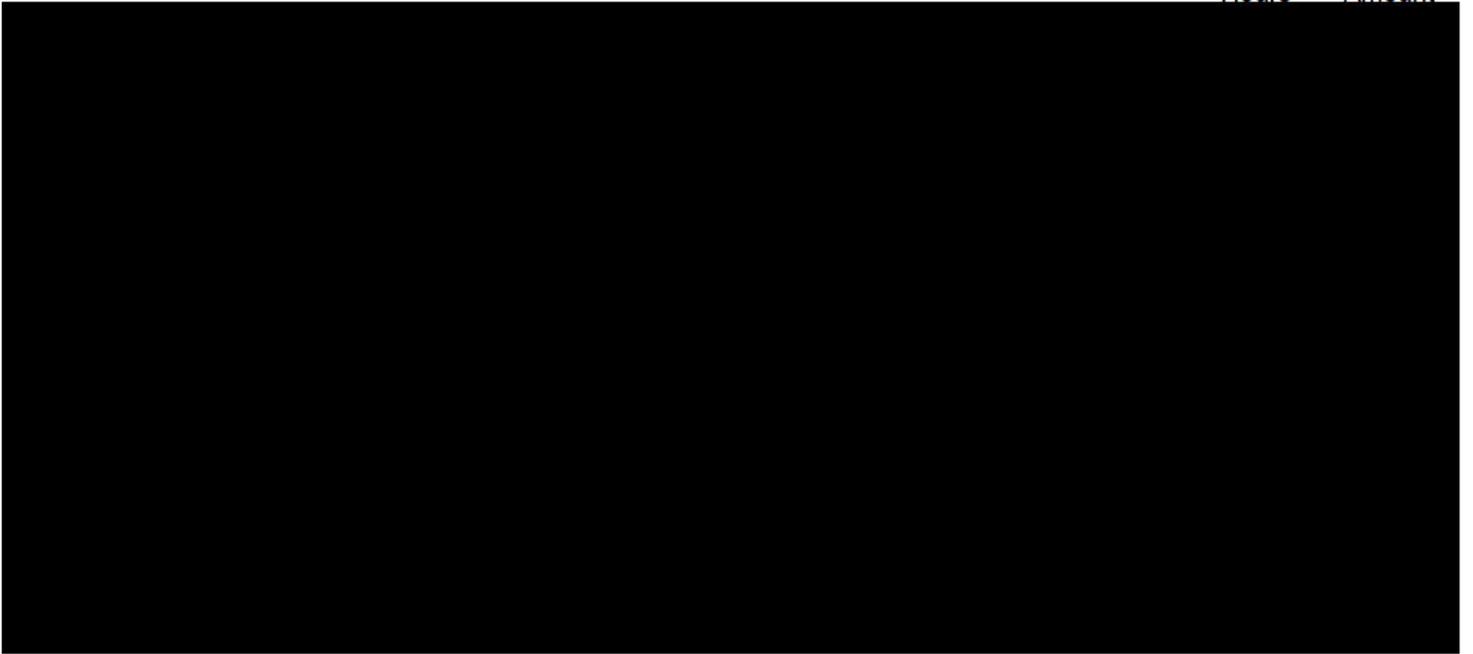
Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
1/2/2023 RAC Review complaint and docket; conference and email with AG	1.00	500.00
1/3/2023 RAC Conference with MB; review complaint	0.20	100.00
1/4/2023 RAC Review complaint; email with plaintiff's counsel	0.30	150.00
1/22/2023 RAC Review service issues; emails with MB; emails with opposing counsel	0.25	125.00
1/23/2023 RAC Conference with MB	0.20	100.00
1/25/2023 RAC Review additional pleadings and order	0.10	50.00
1/31/2023 RAC Review BK court records; draft Rule 137 letter; complete motion for extension of time; conference with STK	1.50	750.00
STK Review and revise Rule 137 letter; email R. Chapman re: same.	0.60	270.00
SUBTOTAL:	[ 4.15	2,045.00]

FILED DATE: 2/5/2025 4:07 PM 2022L010905



Hours Amount



Attorney Summary

Name	Hours	Rate	Amount
Robert A. Chapman	3.75	500.00	\$1,875.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Shannon I. Knight	0.60	450.00	\$270.00

FILED DATE: 2/5/2025 4:07 PM 2022L010905

**CHAPMAN SPINGOLA, LLP**

190 South LaSalle Street  
Suite 3850  
Chicago, IL 60603  
Tax I.D. 81-0644310

Telephone: 312 630-9202  
Fax: 312 630-9233

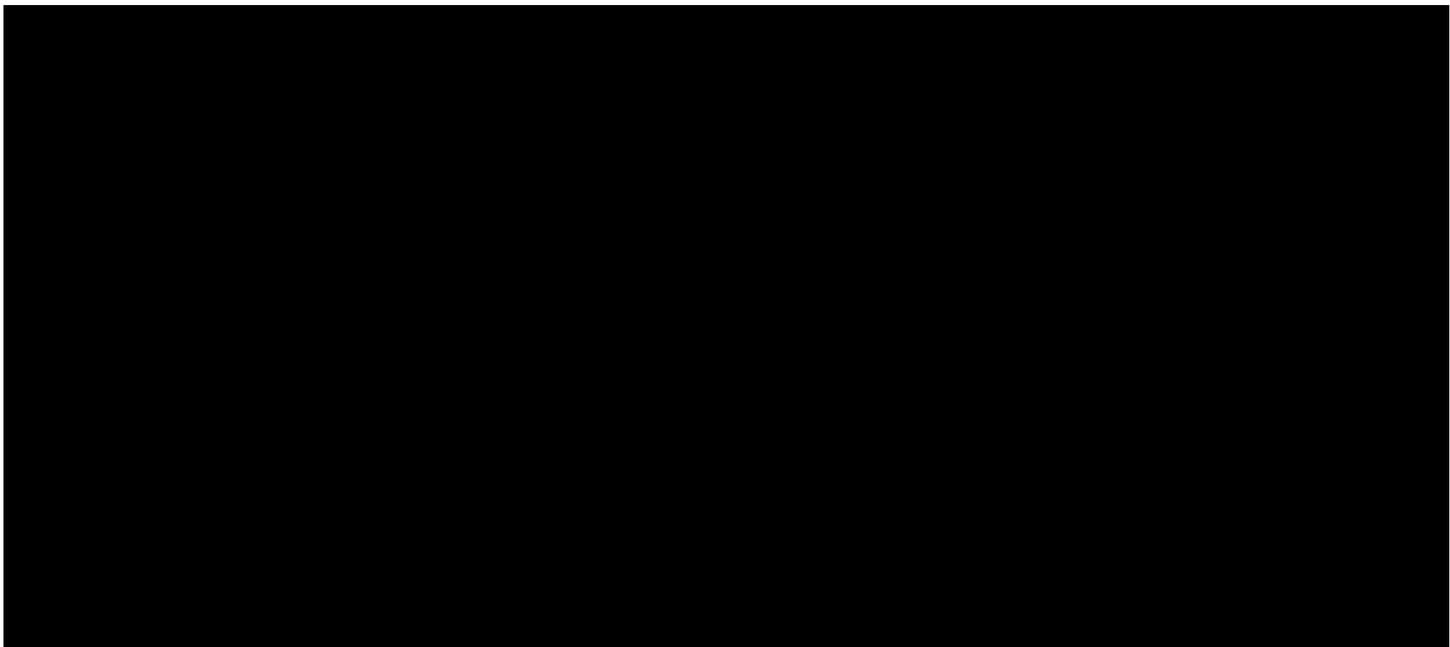
Invoice submitted to:  
ADR Systems of America, L.L.C.  
c/o Mr. Marc Becker  
20 North Clark Street  
29th Floor  
Chicago, IL 60602

January 10, 2023

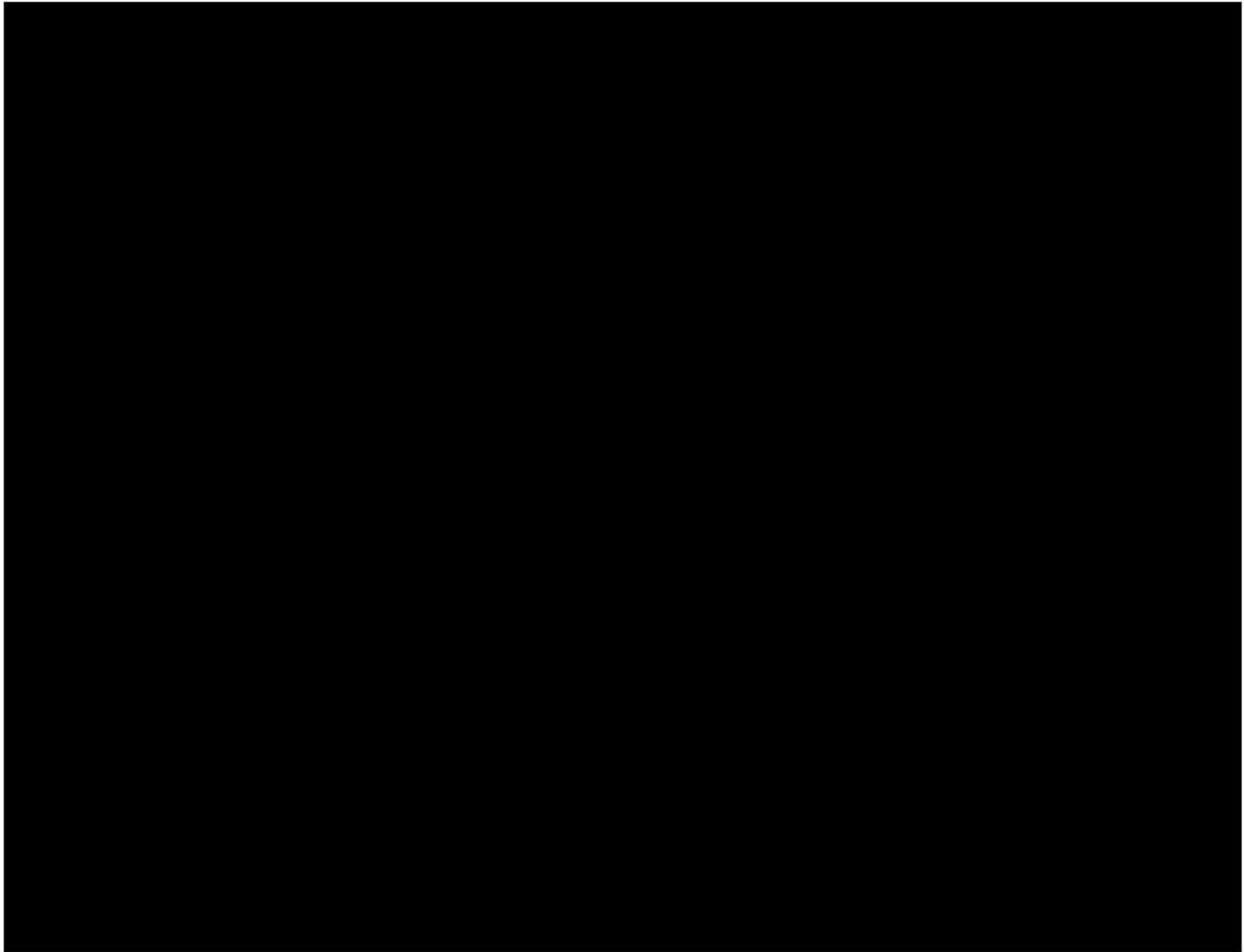
Invoice #25648

Professional Services

	<u>Hours</u>	<u>Amount</u>
<u>Dulberg</u>		
12/28/2022 RAC Conference with Alex G. re complaint; review complaint and filings	1.00	500.00
<b>SUBTOTAL:</b>	<u>1.00</u>	<u>500.00</u>



Hours   Amount



12/30/2022 Payment - thank you. Check No. 34444

(\$2,701.25)



Attorney Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
 Robert A. Chapman	2.75	500.00	\$1,375.00

Name	Hours	Rate	Amount
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

FILED DATE: 2/5/2025 4:07 PM 2022L010905

# EXHIBIT B

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, LAW DIVISION**

PAUL DULBERG and THE PAUL DULBERG )  
REVOCABLE TRUST, )

Plaintiffs, )

v. )

KELLY N. BAUDIN a/k/a Baudin & Baudin, )  
Baudin & Baudin, an Association of Attorneys, )  
Law Offices of Baudin & Baudin, Baudin & )  
Baudin Law Offices, et al. )

Defendants. )

Case No. 2022 L 010905

**ORDER**

This matter coming before the Court for hearing on Defendant ADR Systems of America, L.L.C.'s Request for Status, due notice having been given, counsel for the Baudin defendants being present, counsel for Plaintiffs not being present,

IT IS HEREBY ORDERED:

1. As Plaintiffs have not filed an Amended Complaint against ADR Systems since the May 25, 2023 Order granting Defendant ADR Systems' Motion to Dismiss without prejudice, the Court dismisses Plaintiffs' claims against ADR Systems of America, L.L.C. with prejudice.
2. This Order is final and appealable.

By: \_\_\_\_\_

Hon. Michael Otto

Robert A. Chapman  
**CHAPMAN SPINGOLA, LLP**  
190 South LaSalle Street, Suite 3850  
Chicago, Illinois 60603  
(312) 606-8752  
rchapman@chapmanspingola.com  
wdickmann@chapmanspingola.com  
Firm I.D. No. 29411  
*Counsel for Defendant ADR Systems of America, L.L.C.*

Judge Michael F. Otto

OCT 31 2023

Circuit Court – 2065

# EXHIBIT C

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, LAW DIVISION

PAUL DULBERG and THE PAUL  
DULBERG REVOCABLE TRUST,

Plaintiffs,

v.

ADR SYSTEMS OF AMERICA, LLC. et al.,

Defendant.

Case No. 2022L010905

Judge Anthony C. Swanagan

Calendar U

**ORDER**

This cause coming to be heard on Petitioner ADR Systems of America, LLC's Petition for Sanctions Under Rule 137 ("Petition for Sanctions"), after notice and hearing, the Court having heard argument on the Petition and being fully advised, Petitioner's Petition for Sanctions is granted for the reasons stated below.

**I. Background**

On December 8, 2022, Plaintiff Paul Dulberg ("Dulberg") filed his Complaint at Law (the "Complaint") against several defendants, among them Petitioner Alternative Dispute Resolution Systems, LLC ("Petitioner"). The Complaint alleges that Dulberg submitted an unsigned draft of a binding mediation agreement (the "Draft") to the United States Bankruptcy Court for the Northern District of Illinois, Case No. 14-83578, in initiation of a binding mediation process between Dulberg and Allstate Property and Casualty Insurance Co. ("Allstate"), which would be overseen by the Petitioner. According to the Complaint, the Bankruptcy Court approved and authorized the Draft. However, the Complaint alleges that the signed Binding Mediation Agreement (the "Agreement") which was later submitted to the Petitioner, and executed between Petitioner, Dulberg, and Allstate, differed from the Draft in several ways, including:

- a. notifications under the title on page one;
- b. language under Parties B;
- c. page 4 F1.b regarding who is liable to Plaintiff;
- d. page 5 V.A.1. ADR Systems Fee Schedule;
- e. page 5 V ADR Systems Fee Schedule boxed information;
- f. page 6 section v number 5.

Complaint, ¶ 96.

Count IV of the Complaint alleged Breach of Contract against Petitioner, arguing that Petitioner breached Paragraph III, Section B. Amendments to the Agreement, by its failure to follow the procedure for amending the Agreement outlined therein.

After the Complaint was filed, Petitioner sent a letter (the "Letter") to Dulberg and his counsel, Mr. Talarico. The Letter asserted that Count IV had no basis in law or fact, and therefore urged Dulberg and Mr. Talarico to withdraw the Count. The Letter further stated that if Count IV were not withdrawn, Petitioner would seek sanctions against Dulberg and Mr. Talarico. Count IV was not withdrawn.

Petitioner then moved for dismissal as to Count IV, which was granted without prejudice. Dulberg did not file an amended complaint, and this Court therefore dismissed the claims against Petitioner with prejudice.

Petitioner now moves for sanctions against Dulberg and Mr. Talarico.

## II. Legal Standard

Illinois Supreme Court Rule 137(a) provides:

Every pleading, motion and other document of a party represented by an attorney shall be signed by at least one attorney of record in his individual name, whose address shall be stated. A party who is not represented by an attorney shall sign his pleading, motion, or other document and state his address. Except when otherwise specifically provided by rule or statute, pleadings need not be verified or accompanied by affidavit. The signature of an attorney or party constitutes a certificate by him that he has read the pleading, motion or other document; that to the best of his knowledge, information, and belief formed after reasonable inquiry it is well grounded in fact and is warranted by existing law or a good-faith argument for the extension, modification, or reversal of existing law, and that it is not interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation. If a pleading, motion, or other document is not signed, it shall be stricken unless it is signed promptly after the omission is called to the attention of the pleader or movant. If a pleading, motion, or other document is signed in violation of this rule, the court, upon motion or upon its own initiative, may impose upon the person who signed it, a represented party, or both, an appropriate sanction, which may include an order to pay to the other party or parties the amount of reasonable expenses incurred because of the filing of the pleading, motion or other document, including a reasonable attorney fee.

Ill. Sup. Ct., R 137.

The party calling for sanctions bears the burden of proof that sanctions are appropriate. *Tech. Innovation Ctr. v. Advanced Multiuser Techs. Corp.*, 247 Ill. Dec. 797, 802 (1<sup>st</sup> Dist. 2000). The party petitioning for sanctions must show the opposing party made untrue and false allegations without reasonable cause. *Id.* The trial court must then decide whether the allegations in the underlying complaint were warranted by existing law or a good-faith argument for a change in existing law, or whether the allegations were merely meant to harass or unduly delay the proceedings. *Id.* The attorney's conduct must be assessed by an objective standard; subjective good faith is not sufficient. *Id.*

Generally, the party requesting sanctions must show that the opposing party made assertions of fact which were untrue and made without reasonable cause. *Rubino v. Circuit City Stores*, 324

Ill. App. 3d 931, 946 (2001). The standard for evaluating a party's conduct under this rule is one of reasonableness under the circumstances existing at the time of the filing. *Id.* The purpose of Rule 137 is not to penalize litigants merely because they were not successful in the litigation, and sanctions are not warranted simply because the facts ultimately determined are adverse to those set forth in the pleadings. *Id.* Finally, because the rule is penal in nature it must be strictly construed. *Id.*

### III. Analysis

#### A. *Timeliness of the Petition for Sanctions*

Dulberg also argues that the Petition for Sanctions is untimely brought, as Petitioner was allowed 30 days beginning on September 21, 2023 (the date of Judge Otto's Final and Appealable Order to file a Petition for Sanctions. As the Petition was only filed on November 17, 2023, the Petition is untimely, according to Dulberg.

Petitioner argues in reply that the September 21, 2023 order granted summary judgment for Allstate, not Petitioner. The order granting final judgment in Petitioner's favor was entered on October 31, 2023. Therefore, according to Petitioner, the November 17, 2023 Petition for Sanctions was filed well within the allowed period.

As the Petitioner points out, the docket clearly shows that final, appealable judgment regarding the Petitioner was not entered until October 31, 2023. Therefore, the Petition for Sanctions is timely.

#### B. *Appropriateness of Sanctions*

Petitioner's argument for sanctions is that Dulberg had no legitimate basis for filing Count IV of the Complaint. Petitioner argues that the only agreement to which it is party is the Agreement, which was signed and executed by itself, Dulberg, and Allstate. Petitioner argues that the Draft is not even signed by any party, and that Petitioner cannot possibly be bound by any terms of the Draft. Petitioner also emphasizes that it had absolutely nothing to do with the drafting of either the Draft or the Agreement. Because Count IV alleged Breach of Contract, Petitioner could only possibly be held liable for a breach of the Agreement, which Dulberg did not allege in his Complaint, according to Petitioner. Rather, Petitioner argues that Dulberg alleged that Petitioner breached the Draft. Finally, Petitioner emphasizes that Dulberg has never, in his Complaint, arguments against dismissal, nor arguments in response to this Petition for Sanctions, how any alleged difference between the Agreement and the Draft was substantial or had any detrimental effect on Dulberg.

Dulberg responds that in light of the fact that a Binding Mediation Agreement which differed from the Draft which was authorized and approved by the Bankruptcy Court was submitted to the Petitioner, due diligence required Dulberg to add the Petitioner as a Defendant in its claim of Breach of Contract, as Petitioner was party to that breach.

This Court notes that it is unclear, from the language of Count IV, whether Count IV alleges that it is the Draft that has been breached, or the Agreement that has been breached. For example, ¶ 97 of the Complaint states that "The specific language of Paragraph III. B. Amendments to the

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Agreement were not followed.” The Complaint does not specify whether “Agreement” as used in ¶ 97 refers to the Agreement, or the Draft. If Dulberg means the Draft, then his argument is a non-starter, as Petitioner cannot possibly breach an unsigned draft of an agreement, to which no one is party nor bound. Dulberg does not allege that Petitioner had any hand in the drafting of the Draft or the Agreement, nor does Dulberg allege that Petitioner had any knowledge of any differences between the Draft and the Agreement. Dulberg has never described how any of the alleged differences between the Agreement and the Draft had any detrimental effect on Dulberg. Therefore, per the Complaint, Petitioner could never have been liable for any breach of the Draft.

If, on the other hand, Dulberg means the Agreement, then the argument is similarly a non-starter, because Dulberg does not argue how Petitioner has changed the terms of Agreement after the Agreement was executed, in a way which violated the Agreement.

It is not apparent that Petitioner could have been liable to Dulberg in either event. Considering the facts known to him at the time the Complaint was filed and the factual allegations asserted, the Court cannot conclude that there was a basis for a reasonable belief by Dulberg that Petitioner was liable for a breach of contract. The Petition for sanctions is accordingly granted. Petitioner may spindle a motion for fees on the Court’s motion calendar.

929-P  
4231-D

A. Swanagan 11/17/24

Judge Anthony C. Swanagan

DEC 17 2024

Circuit Court - 2197

**CERTIFICATE OF FILING AND SERVICE**

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, I, Robert A. Chapman, an attorney, hereby certify that on February 5, 2025, I caused the foregoing (i) to be filed electronically using the Odyssey eFileIL system and (ii) to be served on counsel of record through the Odyssey eFileIL system, if registered, and by PDF/email at the following addresses:

Paul Dulberg  
4606 Hayden Ct.  
McHenry, IL 60051  
Paul\_Dulberg@comcast.net

Alphonse A. Talarico  
**LAW OFFICES OF ALPHONSE TALARICO**  
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Jeremy N. Boeder  
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docket@tribler.com

/s/ Robert A. Chapman