

**UNITED STATES DISTRICT COURT
for the Northern District of Illinois
Eastern Division**

**Instructions for Settlement Conferences
in Cases Assigned to Judge John Z. Lee**

The Court believes the parties should fully explore and consider settlement at the earliest opportunity. Early consideration of settlement can prevent unnecessary litigation. This allows the parties to avoid the substantial cost, expenditure of time, and stress that often accompany the litigation process. Even for those cases that cannot be resolved through settlement, early consideration of settlement can allow the parties to better understand the factual and legal nature of their dispute and streamline the issues to be litigated.

The following instructions must be followed in preparing for the settlement conference. Any party who wishes to vary any of these procedures must make an appropriate request to the Court before the settlement conference.

1. **Pre-conference exchange of demand and offer.** A settlement conference will be more productive if the parties exchange written demands and offers, and if the parties have made a good faith effort to settle the case on their own. Accordingly, at least 14 calendar days before the settlement conference, the plaintiff shall submit a written itemization of damages and settlement demand to the defendant, with a concise explanation of why the demand is appropriate. No later than 7 calendar days before the settlement conference, the defendant shall submit a written offer to the plaintiff, with a concise explanation of the offer is appropriate. If settlement is not reached through this process, the parties shall deliver or fax copies of the letters to Judge Lee's chambers no later than 4 calendar days before the conference. Do not file copies of these letters with the Clerk or on the docket.

2. **Attendance of parties required.** Parties with full and complete settlement authority must personally attend the conference. This means that if a party is an individual, that individual must personally attend; if a party is a corporation or governmental entity, a representative of the corporation or governmental entity who is authorized to negotiate and who has full settlement authority must personally attend; if a party requires approval by an insurer to settle, then a representative of the insurer who is authorized to negotiate and who has full settlement authority must attend. Having a client with authority available by telephone is not an acceptable alternative, except under exceptional circumstances and with the permission of the Court.

3. **Conference format.** The Court generally will follow a "mediation" format: a joint session with the Court in which each side makes opening presentations to the other side, followed by private meetings by the Court with each side. The Court expects both the lawyers and the party representatives

to be fully prepared to participate. The Court encourages all parties to keep an open mind in order to reassess their previous positions and to discover creative means for resolving the dispute.

4. Statements inadmissible. Any statements made by any party or attorney during the settlement conference will be inadmissible at trial. That rule should encourage parties and attorneys to be frank and open in their discussions. The Court expects the parties to address each other with courtesy and respect.

5. Issues to be discussed. Parties should be prepared to discuss the following at the settlement conference:

- a. What are your goals in the litigation and what problems would you like to address in the settlement conference? What do you understand are the opposing side's goals?
- b. Do you understand the opposing side's view of the case? What is wrong with their perception? What is right with their perception?
- c. What are the points of factual and legal agreement and disagreement between the parties?
- d. Does settlement or further litigation better enable you to accomplish your goals?
- e. Are there possibilities for a creative resolution of the dispute?
- f. Are there outstanding lien holders or third parties who should be invited to participate in the settlement conference?

For many clients, this will be the first time they will participate in a court-supervised settlement conference. Thus, before the settlement conference, counsel shall provide a copy of these instructions to the client and shall discuss the points contained herein with the client.