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2011 IL App (3d) 100458-U

Order filed November 3, 2011

IN THE APPELLATE COURT OF ILLINOIS

THIRD DISTRICT

A.D., 2011

TOM LANGLOIS,)	Appeal from the Circuit Court
)	of the 12th Judicial Circuit,
Plaintiff-Appellee,)	Will County, Illinois
)	
v.)	Appeal No. 3-10-0458
)	Circuit No. 08-AR-970
SHARLES JOHNSON and)	
REBEKIAH JOHNSON,)	Honorable
)	Raymond A. Bolden,
Defendants-Appellants.)	Judge, Presiding.

PRESIDING JUSTICE CARTER delivered the judgment of the court.
Justices Holdridge and McDade concurred in the judgment.

ORDER

¶ 1 *Held:* In a case in which a husband and wife were sued for unpaid rent and damages allegedly caused to rental property and the wife settled the case in the husband's absence, the circuit court denied the husband's motion to vacate the settlement. The appellate court affirmed the circuit court's decision, holding that the wife had the apparent authority to settle the case.

¶ 2 The plaintiff, Tom Langlois, sued the defendants, Sharles Johnson and his wife, Rebekiah Johnson, to recover unpaid rent and repair costs for damages the defendants allegedly caused to the rental property. On the day trial was scheduled to begin, Rebekiah agreed with counsel for the plaintiff to settle the case for \$18,000. Sharles, who was not in court on the day of the

settlement, moved to vacate the settlement, claiming that Rebekiah had no authority to settle the case without consulting him first. The circuit court denied the motion. On appeal, the defendants argue that the court erred when it found a valid settlement agreement existed because Charles did not agree to it and because Rebekiah did not have the express authority from Charles to settle the case. We affirm.

¶ 3

FACTS

¶ 4 This case arose from a dispute over allegedly unpaid rent and damages the defendants caused upon leaving the rental property. The defendants proceeded *pro se*. Between the filing of the complaint in August 2008 and the entry of the circuit court's consent decree on March 15, 2010, several hearings were held. Rebekiah attended the hearings. Charles did not attend any of the hearings, including the arbitration hearing, which Charles was excused from attending because he recently had had foot surgery.

¶ 5 On March 12, 2010, the circuit court called the case for jury trial status. The court set the case for a trial to be held on March 15, 2010. On that date, counsel for the plaintiff approached Rebekiah and negotiated a settlement. The parties presented a settlement for \$18,000 to the court. Rebekiah stated that Charles recently had had foot surgery and was not present, but that she would speak for him. She said that they were entering into the settlement because they were unprepared for trial. The court inquired of Rebekiah whether the settlement had been coerced, and Rebekiah replied in the negative. The court was satisfied that the settlement had not been coerced and entered a consent decree accepting the settlement.

¶ 6 Approximately one week later, Charles filed a motion to vacate the settlement agreement, claiming that he did not agree to the settlement and had no knowledge that a settlement would be

discussed that day. At the hearing on the motion, Charles stated "the way we did it, since we were pro se litigants, one of us did the hearings, one of us did the investigations." Charles claimed that "the only time I was gonna come is if we need any type of agreement or settlement." After a discussion, the circuit court took the matter under advisement. Several days later, the court stated that it could not find any reason to vacate the settlement and denied the motion. The defendants appealed.

¶ 7

ANALYSIS

¶ 8 The defendants' sole argument on appeal is that the circuit court erred when it found a valid settlement agreement existed because Charles did not agree to it and because Rebekiah did not have the express authority from Charles to settle the case.

¶ 9 Principles of contract law apply to settlement agreements. *K4 Enterprises, Inc. v. Grater, Inc.*, 394 Ill. App. 3d 307, 313 (2009). "Oral agreements are binding so long as there is an offer, an acceptance, and a meeting of the minds as to the terms of the agreement." *K4 Enterprises, Inc.*, 394 Ill. App. 3d at 313. Contract interpretation involves a question of law that we review *de novo*. See, e.g., *International Supply Co. v. Campbell*, 391 Ill. App. 3d 439, 448 (2009).

¶ 10 Charles claims on appeal that there was no meeting of the minds with regard to the settlement agreement. Charles was not present when the settlement was negotiated. However, one person has apparent authority to act on behalf of another person when there is a reasonable impression created that he or she possesses the authority to act on behalf of the other person. *Curto v. Illini Manors, Inc.*, 405 Ill. App. 3d 888, 895 (2010).

"To prove apparent authority, the proponent must show that (1) the principal consented to or knowingly acquiesced in the agent's exercise of authority, (2)

based on the actions of the principal and agent, the third party reasonably concluded that the agent had authority to act on the principal behalf, and (3) the third party justifiably relied on the agent's apparent authority to his detriment."

Curto, 405 Ill. App. 3d at 895.

Of paramount importance are words or conduct by the principal that are reasonably construed to indicate that he or she consented to the agency. *Curto*, 405 Ill. App. 3d at 896.

¶ 11 Our review of the record reveals that Rebekiah did in fact have the apparent authority to act on Charles's behalf. Charles never attended any of the hearings, despite the fact that he was a named defendant and that his name also appeared on the lease that gave rise to the lawsuit. Charles admitted that "the way that we did it, since we were pro se litigants, one of us did the hearings, one of us did the investigations." Rebekiah attended the hearings and spoke for both herself and Charles. Counsel for the plaintiff negotiated the settlement with Rebekiah on the day trial was scheduled to begin, as she, once again, was the only one present. When the settlement was announced in court, Rebekiah told the circuit court that she was also speaking for Charles. The settlement intended to end this lengthy litigation, thereby avoiding trial, a possible judgment of an amount higher than the settlement amount, and further attorney fees. Under these circumstances, we hold that the circuit court properly ruled that Charles was bound by the settlement negotiated by Rebekiah. See *Sakun v. Taffer*, 268 Ill. App. 3d 343, 351 (1994) ("[w]here the principal places an agent in a situation where he may be presumed to have authority to act for her, the principal is estopped as against a third person from denying the agent's apparent authority").

¶ 12

CONCLUSION

¶ 13 The judgment of the circuit court of Will County is affirmed.

¶ 14 Affirmed.