2026 IL App (1st) 251903-U

FIRST DIVISION
September 21, 2026

No. 1-25-1903

NOTICE: This order was filed under Supreme Court Rule 23 and is not precedent except in the limited circumstances allowed under Rule 23(e)(1).

IN THE
APPELLATE COURT OF ILLINOIS
FIRST JUDICIAL DISTRICT

KASHAWNA WILSON,	)	
	)	Appeal from the Circuit Court
Plaintiff-Appellant,	)	of Cook County, Illinois
	)	
vs.	)	No. 2023-M1-115587
	)	
TRANS UNION, LLC,	)	Hon. Christ Stanley Stacey
	)	Judge Presiding
Defendant-Appellee.	)	

PRESIDING JUSTICE ELLIS delivered the judgment of the court.
Justices Fitzgerald Smith and Howse concurred in the judgment.

ORDER

¶ 1 *Held*: Affirmed. Trial court did not abuse its discretion in imposing sanctions on plaintiff.

¶ 2 Plaintiff Kashawna Wilson sued Trans Union, a credit-reporting agency, for transmitting inaccurate information about her and failing to timely correct it. Trans Union prevailed on summary judgment, then moved for sanctions against Wilson for filing a frivolous suit. The court imposed sanctions, finding that Wilson should have known her claim lacked merit. She appeals only the award of sanctions. We affirm, as the court's ruling was well within its discretion.

¶ 3 BACKGROUND

¶ 4 On April 23, 2023, plaintiff Kashawna Wilson sent letters to multiple credit reporting agencies, including Trans Union, disputing the accuracy of various items on her report. Trans

Union responded, explaining that it had either corrected the inaccuracies or contacted the body providing the reported information for further information.

¶ 5 Wilson sued Trans Union and other credit reporting agencies under the Fair Credit Reporting Act, or "FCRA," alleging they continued to report inaccurate information in violation of FCRA's reporting and investigation requirements. She alleged both "willful" and "negligent" violations. See 15 U.S.C. §§ 1681n, 1681o.

¶ 6 Wilson amended her complaint, leaving Trans Union as the sole defendant. After an unsuccessful motion to dismiss, the parties proceeded to a mandatory arbitration hearing. A three-judge panel awarded Wilson $1,000. She rejected the arbitration award.

¶ 7 Now back in the circuit court, Trans Union moved for summary judgment, arguing that plaintiff failed to show (i) that her credit report was inaccurate and (ii) that she suffered actual damages. Trans Union included the sworn declaration of Donald Wagner, a specialist in litigation support employed by Trans Union, who addressed each of plaintiff's alleged inaccuracies and explained that they were reported correctly.

¶ 8 The court entered summary judgment for Trans Union, finding that the record did not support a claim of inaccurate reporting or unreasonable reinvestigation of plaintiff's credit. The court also found that plaintiff failed to provide any evidence of actual damages as FCRA requires. See 15 U.S.C. §§ 1681n, 1681o.

¶ 9 MOTION FOR SANCTIONS

¶ 10 Trans Union moved for sanctions under Illinois Supreme Court Rule 137(a) (eff. Jan. 1, 2018) and under FCRA provisions concerning bad-faith litigation. See 15 U.S.C. §§ 1681n, 1681o. As the court ultimately imposed sanctions under Rule 137, we train our focus there.

¶ 11 Because Wilson's principal claim on appeal concerns what Trans Union did and did not argue in its motion for sanctions, we will take a moment to drill down on the specifics of the motion. Trans Union opened its motion by stating that "Trans Union is entitled to its costs and fees under Rule 137 because the Complaint was not well grounded in fact." Trans Union noted that "this is one of more than one hundred similar cases filed in this jurisdiction by the same counsel, in which a consumer alleged that Trans Union violated [FCRA] by allegedly reporting and verifying inaccurate information." The motion argued that Wilson's lawsuit was thus "not only filed without a foundation, but as part of a larger scheme by Plaintiff's counsel to extort settlement and/or recover attorneys' fees."

¶ 12 As proof that Wilson knew or should have known that her claim lacked merit, Trans Union argued that, in response to the motion for summary judgment, Wilson cited no evidence or authority to support her claims (i) that Trans Union inaccurately reported information, (ii) that defendant's conduct was willful, or (iii) that Wilson suffered any actual damages.

¶ 13 The motion also noted that, at the summary judgment stage, Wilson admitted that she was not pursuing a negligent-violation theory, though it was pleaded in her complaint. Finally, plaintiff did not attach an affidavit of damages per Illinois Supreme Court Rule 222(b) (eff. Jan. 1, 2011) to her complaint, her amended complaint, or in response to the motion for summary judgment. Trans Union summed it up by arguing that Wilson's concessions and failure to produce evidence was "an acknowledgment that [she] had no legitimate claim to begin with."

¶ 14 As Wilson is keen to highlight, the motion did claim that she and her counsel actually knew that the claim was frivolous when it was filed:

> "Plaintiff and her counsel knew at the time the lawsuit was filed that Trans Union did not inaccurately report any information ***, that Trans Union did not willfully violate the

> FCRA when it reinvestigated and verified the reporting, and that Plaintiff did not suffer any damages whatsoever. The Complaint and Amended Complaint were simply not 'well grounded in fact,' as required by Rule 137, and Plaintiff and her counsel knew it."

¶ 15 But Trans Union also emphasized that Rule 137 contains an objective, reasonable-belief standard that requires counsel to have "a good-faith basis to plead those allegations in the first instance." In evaluating the conduct of plaintiff's counsel, the motion argued,

> "the court must determine what was *reasonable* at the time rather than engage in hindsight. Therefore, the standard to be employed in applying the rule is an *objective* one. *It is not sufficient that an attorney 'honestly believed'* his or her case was well grounded in fact or law." (Emphases added.)

¶ 16 In her response to the motion, in addition to raising other attacks on the motion for sanctions not relevant here, Wilson emphasized that, "[w]hen examining whether a complaint is well-grounded in fact, courts inquire as to whether it was reasonable at the time for Plaintiff to file the lawsuit." She repeatedly returned to the theme that she complied with the objective, reasonable-belief standard:

- "Plaintiff and their counsel had a reasonable belief that the information reported on their credit file was inaccurate, that Defendant's reinvestigation was not reasonable, and that Defendant willfully violated the FCRA;"
- "Plaintiff had a reasonable and factual basis for their claims;"
- "Plaintiff held the reasonable belief that" Trans Union inaccurately reported a creditor on her credit report;

- "Plaintiff reasonably advanced the argument that Defendant's reporting of the inflated balance and the original creditor was inaccurate;"
- "Plaintiff reasonably argued for the interpretation of existing law in their favor using the same and similar logic that [a federal agency] utilizes in regulatory actions filed under the FCRA;"
- "Plaintiff reasonably believed the information in Plaintiff's credit report was inaccurate, or at the very least misleading;"
- "Plaintiff reasonably believed that the discrepancy of information" in the credit report was actionable;
- "Plaintiff reasonably believed *** that Defendant was in reckless disregard of its statutory duty" and "reasonably believed at the time of filing that Defendant willfully violated the FCRA."

¶ 17 In its reply in further support of its sanctions motion, Trans Union once again argued both that Wilson and her counsel knew and that they should have known that their complaint was frivolous from the outset. Trans Union noted that, in her response, Wilson "agree[d] with Trans Union that the court must evaluate whether plaintiff had a reasonable belief at the time of filing" the complaint but claimed that Wilson failed to demonstrate that "her actions and the actions of her counsel were reasonable at the time of filing."

¶ 18 The court held a hearing on the motion for sanctions. We lack a transcript of that hearing.

¶ 19 The court granted the motion and imposed sanctions (reasonable attorney fees) on Wilson's counsel. In a written judgment order, the court reasoned that, in responding to the

motion for summary judgment, Wilson "provided no evidence whatsoever of facts showing an inaccurate statement, actual damages, or evidence of willful behavior on the part of defendant."

¶ 20 Though we lack a transcript of the oral argument at the sanctions hearing, the court also noted in its written order that, at that hearing, the court indicated that it "was still unable to discern what evidence the plaintiff's attorney was relying upon at the time of the filing of the complaint and amended complaint." Plaintiff's counsel, according to the court, "agreed there was no inaccurate reporting and that counsel was not disputing the court's finding in that regard."

¶ 21 "This response," the court wrote, "goes a long way to explain why no sworn evidence was offered up at the time of the summary judgment hearing. The court is left to conclude that there was no basis for the filing of the complaint, and that any reasonable inquiry should have alerted counsel not to file the case at the time it was filed."

¶ 22 Wilson moved for reconsideration. The court denied that motion. This appeal followed.

¶ 23 ANALYSIS

¶ 24 On appeal, plaintiff does not challenge the underlying grant of summary judgment, only the imposition of sanctions. An award of sanctions is reviewed for an abuse of discretion, which occurs when no reasonable person would adopt the trial court's ruling. *Lake Environmental, Inc. v. Arnold*, 2015 IL 118110, ¶ 16.

¶ 25 Under Illinois Supreme Court Rule 137(a) (eff. Jan. 1, 2018) a lawyer's signature on a pleading signifies that, "to the best of his knowledge, information, and belief formed after *reasonable inquiry*," the pleading "is well grounded in fact and is warranted by existing law" or by a "good-faith" change in the law. (Emphasis added.) Sanctions for filing pleadings not grounded in fact include attorney fees. *Id.*

¶ 26 The reasonableness of counsel's inquiry, of course, is determined by an objective test—

whether counsel should have known a complaint was frivolous or false. *Stiffle v. Baker Epstein Marz*, 2016 IL App (1st) 150180, ¶ 50; *People v. Stefanski*, 377 Ill. App. 3d 548, 552 (2007). And it should go without saying that if counsel acts in bad faith—if he subjectively *knows* a complaint is frivolous—he violates Rule 137 as well. See *Stefanski*, 377 Ill. App. 3d at 552.

¶ 27 All of which is to say that, to prevail on a motion for sanctions for violating this rule, the movant must demonstrate "that the opposing party made statements he knew or should have known to be false and that the statements were made without reasonable cause." *Kensington's Wine Auctioneers & Brokers, Inc. v. John Hart Fine Wine, Ltd.*, 392 Ill. App. 3d 1, 17-18 (2009).

¶ 28 Wilson claims the court committed two errors in awarding sanctions. Her principal complaint is that the court imposed sanctions based on an argument Trans Union never raised. She claims that Trans Union only argued that Wilson subjectively *knew* her claims were meritless, while the court imposed sanctions on the ground that Wilson objectively *should have known* they were frivolous. This was problematic, she says, because Trans Union was limited to the claims it raised in its motion for sanctions.

¶ 29 We disagree with the underlying premise of this argument. As we went to some pains to demonstrate above, Wilson knew all too well that one of the arguments at issue was whether she held an objectively reasonable belief that her complaint was not frivolous. Trans Union discussed the objective reasonable-belief standard in its motion and even went so far as noting that it was not required to demonstrate Wilson's actual, subjective knowledge to prevail. Wilson agreed with Trans Union that the objective, reasonable-belief standard applied and repeatedly emphasized her compliance with that standard in her response. And Trans Union reiterated the standard in its reply memorandum. There was no surprise here, no ambush.

¶ 30 To be sure, Trans Union *also* argued that Wilson and counsel *knew* the complaint was frivolous, a subjective standard. But to accept that Wilson was waylaid by some new should-have-known, reasonable-belief argument she never saw coming is a bridge we cannot cross.

¶ 31 Wilson's only other argument is that the court abused its discretion by both (i) relying on her loss at summary judgment and (ii) not crediting her for having won an arbitration award of $1,000 that she rejected. Wilson is correct that the mere fact that she lost at summary judgment is not a basis for imposing sanctions. But that is not what the trial court ruled. It wasn't that Wilson merely lost at summary judgment; it was the fact that she put forth no evidence whatsoever to support her claim when forced to show her hand.

¶ 32 This was not a case where factual allegations required significant discovery. Either the credit report on its face was inaccurate or it wasn't. Either Wilson suffered actual damages or she didn't. This information would be known to Wilson and counsel at the time the complaint was filed. The fact that she had no evidence at the summary judgment stage strongly suggested to the court, as it should, that she *never* had the evidence and should have known as much when she filed the complaint. The fact that counsel all but conceded that Wilson had no case at the hearing on the motion for sanctions (as recited by the court) only bolsters the trial court's reasoning.

¶ 33 As for the arbitration award, it is certainly a point in their favor that Wilson and counsel prevailed before a panel of arbitrators. But one point in their favor is not enough to overcome substantial proof, detailed above, that they should have known, if they did not actually know, that their case lacked merit.

¶ 34 Nor is it enough to overcome our highly deferential standard of review. Again, to reverse the trial court, we must determine that no reasonable person would agree with the trial court's ruling. *Arnold*, 2015 IL 118110, ¶ 16. Given the significant evidence on which the trial court

relied to impose sanctions, Wilson has come nowhere close to making that showing, the arbitration award in her favor notwithstanding.

¶ 35 CONCLUSION

¶ 36 The judgment of the circuit court is affirmed.

¶ 37 Affirmed.