UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

Jennifer L. Parson, individually and as Administrator of the Estate of Michael Bradley Parson v. Allstate Insurance Company

Parson v. Allstate · No. 24-cv-1493 · Decided March 23, 2026

SUMMARY

The United States District Court for the Northern District of Illinois grants Allstate Insurance Company's partial motion to dismiss in Jennifer L. Parson's action concerning the attempted sale of her deceased husband's Allstate agency book of business. The court dismisses counts II through V, alleging breach of the implied covenant of good faith and fair dealing, tortious interference with prospective economic advantage, fraud, and negligent infliction of emotional distress, while allowing the breach-of-contract claim to proceed. The opinion addresses Illinois choice-of-law principles and concludes that the challenged claims fail under the applicable pleading standards.

CASE DETAILS

COURT	United States District Court for the Northern District of Illinois, Eastern Division
WRITING FOR THE COURT	John Robert Blakey
JURISDICTION	United States District Court for the Northern District of Illinois, Eastern Division
DECIDED	March 23, 2026
DOCKET	24-cv-1493
DISPOSITION	dismissed
PROCEDURAL POSTURE	Defendant moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss counts II through V of Plaintiff's Second Amended Complaint. The court granted the partial motion to dismiss and dismissed those counts with prejudice, leaving the breach-of-contract claim pending.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true and draws reasonable inferences in the plaintiff's favor, but disregards legal conclusions. The complaint must provide fair notice and contain sufficient factual matter to state a facially plausible claim. Fraud allegations are subject to Rule 9(b)'s heightened

	requirement that the circumstances constituting fraud be pleaded with particularity.
PRECEDENTIAL VALUE	Unknown
PARTIES	Jennifer L. Parson, individually and as Administrator of the Estate of Michael Bradley Parson v. Allstate Insurance Company

TOPICS

motions to dismiss · civil procedure · contracts · fraud · commercial litigation

PRACTICE AREAS

civil procedure · contracts · torts · insurance · commercial litigation

QUESTIONS PRESENTED

1. Whether Illinois or North Carolina law governed Plaintiff's claims under Illinois choice-of-law principles.
2. Whether Plaintiff stated a claim for breach of the implied covenant of good faith and fair dealing independent of her breach-of-contract claim.
3. Whether Plaintiff adequately pleaded tortious interference with prospective economic advantage.
4. Whether Plaintiff pleaded fraud or fraudulent concealment with the particularity required by Federal Rule of Civil Procedure 9(b).
5. Whether Plaintiff stated a claim for negligent infliction of emotional distress under Illinois or North Carolina law.

HOLDINGS

1. Illinois law applies unless Plaintiff demonstrates an outcome-determinative conflict with North Carolina law and establishes that North Carolina has the most significant relationship to the parties and dispute. Even assuming relevant conflicts, Plaintiff's claims fail under the applicable alternatives.
2. Under Illinois law, the implied covenant of good faith and fair dealing is an interpretive principle and does not create an independent cause of action. Plaintiff's claim also fails under North Carolina law because she did not respond to the argument that Allstate merely exercised its express contractual discretion to approve or reject a buyer.
3. Plaintiff failed to state a claim because she did not adequately allege that Allstate intentionally and unjustifiably interfered with a prospective business relationship or that she would have realized the alleged economic advantage but for Allstate's conduct.
4. Plaintiff failed to plead fraud or fraudulent concealment with the particularity required by Federal Rule of Civil Procedure 9(b).

5. Plaintiff failed to state a claim for negligent infliction of emotional distress under either Illinois or North Carolina law.
6. Further amendment would be futile, so the dismissed claims are dismissed with prejudice.

KEY QUOTATIONS

> *"While all Illinois contracts contain an implied obligation to act in good faith, this obligation does not provide a person with a separate, independent cause of action."* (Section III.B.1)

> *"To satisfy the Rule, a plaintiff must describe the "who, what, when, where, and how of the fraud.""* (Section III.B.3)

FACTUAL BACKGROUND

Michael Parson operated an Allstate insurance agency in North Carolina under an Exclusive Agent Agreement. After Parson became terminally ill and later died, his wife, Jennifer, attempted to preserve and sell the economic interest in the agency's book of business. Allstate required additional documentation, denied requests to extend the contractual ninety-day sale period, and ultimately declined to approve proposed buyers, instead closing the agency and paying approximately $223,000 in termination benefits rather than the approximately $480,000 Plaintiff alleges she could have obtained through a sale. Plaintiff alleged that Allstate's conduct supported claims for breach of the implied covenant, tortious interference, fraud, and negligent infliction of emotional distress.

PROCEDURAL HISTORY

Plaintiff and two other plaintiffs initially sued Allstate in 2022. The claims were severed in August 2023 and reassigned to this court. Plaintiff filed an amended complaint in April 2024 and a Second Amended Complaint in June 2024. Allstate moved to dismiss the claims for breach of the implied covenant of good faith and fair dealing, tortious interference with prospective economic advantage, fraud, and negligent infliction of emotional distress.

DISPOSITION

dismissed

CASES CITED

- Killingsworth v. HSBC Bank Nevada, 507 F.3d 614, 618
- Sosa v. Onfido, Inc., 8 F.4th 631, 637
- Heiman v. Bimbo Foods Bakeries Distrib. Co., 902 F.3d 715, 718
- Gunn v. Cont'l Cas. Co., 968 F.3d 802, 808
- Bd. of Forensic Document Examiners, Inc. v. Am. Bar Ass'n, 922 F.3d 827, 831
- West Side Salvage, Inc. v. RSUI Indem. Co., 878 F.3d 219, 223
- Tanner v. Jupiter Realty Corp., 433 F.3d 913, 915-16
- Esser v. McIntyre, 661 N.E.2d 1138, 1141

- Echo, Inc. v. Whitson Co., 121 F.3d 1099, 1105-06
- Hickman v. Wells Fargo Bank N.A., 683 F. Supp. 2d 779, 793
- LaScola v. U.S. Sprint Communications, 946 F.2d 559, 565
- Hartford Accident & Indem. Co. v. Lin, 97 F.4th 500, 510
- Cramer v. Ins. Exch. Agency, 675 N.E.2d 897, 903
- Johnson Bros. Corp. v. City of Charlotte, 2024 WL 807479, at *16
- Cordaro v. Harrington Bank, FSB, 817 S.E.2d 247, 256
- Nadendla v. WakeMed, 24 F.4th 299, 307-08
- Wojtas v. Cap. Guardian Tr. Co., 477 F.3d 924, 926
- Cincinnati Ins. Co. v. E. Atl. Ins. Co., 260 F.3d 742, 747
- Grako v. Bill Walsh Chevrolet-Cadillac, Inc., 229 N.E.3d 869, 874-75, 878-81
- Voyles v. Sandia Mortgage Corp., 751 N.E.2d 1126, 1133
- Proft v. Raoul, 944 F.3d 686, 690
- Intercollegiate Women's Lacrosse Coaches Ass'n v. Corrigan Sports Enters., Inc., 546 F. Supp. 3d 440, 454
- Fed. R. Civ. P. 9(b)
- Wigod v. Wells Fargo Bank, N.A., 673 F.3d 547, 569, 571
- Borsellino v. Goldman Sachs Grp., Inc., 477 F.3d 502, 507
- Pirelli Armstrong Tire Corp. Retiree Med. Benefits Tr. v. Walgreen Co., 631 F.3d 436, 441-43
- McMahan v. Deutsche Bank AG, 938 F. Supp. 2d 795, 803-05
- Connick v. Suzuki Motor Co., Ltd., 675 N.E.2d 584
- Doe v. Loyola Univ. of Chicago, 2019 WL 3801819, at *3
- Lewis v. CITGO Petroleum Corp., 561 F.3d 698, 703
- Rickey v. Chicago Transit Authority, 98 Ill. 2d 546, Rickey v. Chi. Transit Auth., 457 N.E.2d 1, 2
- Acosta v. Byrum, 638 S.E.2d 246, 250
- Johnson v. Ruark Obstetrics, 395 S.E.2d 85, 97
- Horne v. Cumberland Cnty. Hosp. Sys., Inc., 746 S.E.2d 13, 19-20
- Farrish v. Carolina Com. Heat Treating, Inc., 225 F. Supp. 2d 632, 637-38
- Dickens v. Puryear, 276 S.E.2d 325
- Tribble v. Evangelides, 670 F.3d 753, 761, as amended (Feb. 2, 2012)