

UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

Ronald Crosby v. City of Chicago

No. 18-3693 & 19-1439, United States Court of Appeals for the Seventh Circuit (March 6, 2020)

SUMMARY

The Seventh Circuit held that a broad release in a settlement agreement covering all claims "arising directly or indirectly out of the incident" barred subsequent claims for coverup, malicious prosecution, and wrongful conviction, even if those claims had not yet accrued. Applying Illinois law and following **Cannon v. Burge**, the court rejected arguments that the release was limited to the specific claims in the original suit or that the coverup was a separate incident. The court also affirmed the district court's award of costs for transcripts under Rule 54(d).

CASE DETAILS

COURT	United States Court of Appeals for the Seventh Circuit
WRITING FOR THE COURT	Barrett; Kanne; Sykes
JURISDICTION	Federal
DECIDED	March 6, 2020
DOCKET	18-3693 & 19-1439
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the United States District Court for the Northern District of Illinois, Eastern Division, Judge Virginia M. Kendall.
STANDARD OF REVIEW	Abuse of discretion for cost award; de novo for contract interpretation (implied).
PRECEDENTIAL VALUE	Published
PARTIES	Ronald Crosby v. City of Chicago, et al.

TOPICS

- contract interpretation
- false imprisonment
- section 1983
- civil rights
- appellate procedure
- costs
- contracts

PRACTICE AREAS

- Civil Rights
- Contract Law
- Appellate Practice

QUESTIONS PRESENTED

1. Whether the settlement agreement's release of all claims arising directly or indirectly from the incident bars Crosby's new claims for coverup and malicious prosecution.
2. Whether the district court abused its discretion in awarding costs to the City for transcripts of Crosby's state criminal proceedings.

HOLDINGS

1. The release bars Crosby's new claims because they arise from the same incident, and Illinois law enforces the release as written where the claims were foreseeable.
2. The district court did not abuse its discretion because the City reasonably incurred costs for transcripts of Crosby's state criminal proceedings, which were relevant to the litigation.

KEY QUOTATIONS

“The settlement agreement was between Crosby, Gonzalez, and 'Defendant, City of Chicago,' though the latter had not been named as a defendant in the complaint. It provided that Crosby would receive \$5,000 in exchange for releasing all claims he had or has against the individual Defendant, Eduardo Gonzalez, and the City of Chicago, and its future, current or former officers ... , including but not limited to all claims he had, has, or may have in the future, under local, state, or federal law, arising either directly or indirectly out of the incident which was the basis of this litigation, and that such release and discharge also is applicable to any and all unnamed and/or unserved defendants.” (2-3)

“We rejected this very argument in Cannon v. Burge, which involved a similar release. 752 F.3d 1079 (7th Cir. 2014). In Cannon, the plaintiff sued Chicago police officers who tortured him to extract a confession of a crime for which he was ultimately convicted and imprisoned. He settled the suit for a modest sum in a contract that released not only the claims asserted against the defendant officers, but also 'all claims he has, or may have in the future, arising either directly or indirectly out of the incident which was the basis of this litigation.' Id. at 1083. Years later, the plaintiff sued the City and various employees for, among other things, malicious prosecution, deprivation of a fair trial, and false imprisonment. To escape the release, the plaintiff 'attempt[ed] to carve out his claims for wrongful conviction and malicious prosecution as separate and distinct incidents not covered by the settlement.' We rebuffed that attempt, observing that it 'ignore[d] ... the 'arising from' language in the 1988 Stipulation.' Id. at 1092. The same reasoning controls here.” (6-7)

“Illinois does not prohibit the release of foreseeable claims; it prohibits the blanket release of claims that are 'not within the contemplation of the parties.' Feltmeier v. Feltmeier, 798 N.E.2d 75, 89 (Ill. 2003).” (9)

FACTUAL BACKGROUND

In 2010, Ronald Crosby fell from a third-story window during an arrest by Chicago police officer Eduardo Gonzalez. Crosby claimed Gonzalez pushed him and then falsely reported that Crosby had a gun, leading to Crosby's conviction and imprisonment. After his conviction was reversed, Crosby settled a § 1983 suit against Gonzalez for excessive force, releasing all claims arising from the incident. Three years later, he filed a new suit against the City and other officers alleging coverup, malicious prosecution, and false imprisonment.

PROCEDURAL HISTORY

Crosby settled a prior § 1983 suit against Officer Gonzalez for excessive force, releasing all claims arising from the incident. He then filed a new suit against the City and other officers alleging coverup, malicious prosecution, and false imprisonment. The district court granted judgment to defendants based on the release and awarded costs.

DISPOSITION

affirmed

CASES CITED

- Cannon v. Burge, 752 F.3d 1079 (7th Cir. 2014)
- Gladinus v. Laughlin, 366 N.E.2d 430 (Ill. App. Ct. 1977)
- Chicago Transit Authority v. Yellow Cab Co., 463 N.E.2d 738 (Ill. App. Ct. 1984)
- Farm Credit Bank of St. Louis v. Whitlock, 581 N.E.2d 664 (Ill. 1991)
- Rakowski v. Lucente, 472 N.E.2d 791 (Ill. 1984)
- Feltmeier v. Feltmeier, 798 N.E.2d 75 (Ill. 2003)
- Chubb v. Amax Coal Co., 466 N.E.2d 369 (Ill. App. Ct. 1984)
- Hobbs v. Hartford Ins. Co. of the Midwest, 823 N.E.2d 561 (Ill. 2005)
- M.T. Bonk Co. v. Milton Bradley Co., 945 F.2d 1404 (7th Cir. 1991)
- Beamon v. Marshall & Ilsley Tr. Co., 411 F.3d 854 (7th Cir. 2005)
- Manuel v. City of Joliet, 903 F.3d 667 (7th Cir. 2018)
- Heck v. Humphrey, 512 U.S. 477 (1994)
- Cult Awareness Network v. Church of Scientology Int'l, 685 N.E.2d 1347 (Ill. 1997)
- People v. Crosby, 2014 IL App (1st) 121645-U