2019 IL App (1st) 190450-U

FIRST DISTRICT, SECOND DIVISION May 28, 2019

No. 1-19-0450

NOTICE: This order was filed under Supreme Court Rule 23 and may not be cited as precedent by any party except in the limited circumstances allowed under Rule 23(e)(1).

IN THE APPELLATE COURT OF ILLINOIS FIRST JUDICIAL DISTRICT

JOSEPH SCHROEDER,)
Plaintiff-Appellant,)
V.)
SPECIALTY CONTENTS GROUP, LLC, an Illinois)
limited liability company, and JAMES KO,	Appeal from theCircuit Court of
Respondents-Appellees.) Cook County, Illinois.
) No. 19 L 729
COUNTRYSIDE CLEANERS, INC., and)
SPECIALTY CONTENTS GROUP, LLC,) Honorable
) David B. Atkins and
V. Cross-Plaintiffs-Appellants,	 James P. Flannery, Judges Presiding.
JOE SCHROEDER LEGACY, LLC, an Illinois)
limited liability company, and JOSEPH)
SCHROEDER,)
Cross-Defendants-Appellees.)

PRESIDING JUSTICE MASON delivered the judgment of the court. Justices Lavin and Hyman concurred in the judgment.

ORDER

- ¶ 1 *Held*: (i) In dispute between business partners where some claims were subject to mandatory arbitration, the trial court did not err in ordering the remaining claims stayed pending the results of arbitration. (ii) Trial court properly denied motion to compel arbitration filed after the underlying cause was dismissed with prejudice. (iii) Reviewing court lacks jurisdiction over appeal from denial of motion to consolidate.
- ¶ 2 This action arises out of a dispute regarding the management of defendant Specialty Contents Group, LLC (SCG). SCG was founded in 2015 by plaintiff Joseph Schroeder through DRYCO, LLC, and defendant James Ko, through Countryside Cleaners, Inc. Each entity was a member of SCG holding a 50% interest. Ko was appointed manager of SCG in 2017.
- ¶ 3 Also in 2017, SCG took out loans from Signature Bank totaling \$1,250,000. The loans were guaranteed by Schroeder and Ko. On June 28, 2018, Signature Bank declared SCG to be in default. Following Schroeder's personal repayment of the loans, Signature Bank assigned Schroeder its interest in the loans. Schroeder then brought suit against SCG and Ko, seeking to enforce Ko's guaranty and also seeking damages for Ko's alleged mismanagement of the company. Ko countersued, alleging that Schroeder committed various breaches of fiduciary duty that damaged the company.

¶4

The trial court found that under the terms of SCG's operating agreement, the dispute regarding management of SCG was subject to mediation and, if mediation was unsuccessful, mandatory arbitration. The trial court therefore dismissed some of Schroeder's claims and stayed the remaining claims pending the results of arbitration. Schroeder filed the present interlocutory appeal requesting that the stay be lifted. Ko (via his company Countryside) cross-appeals the trial court's denial of his motion to compel arbitration of the dispute before a single arbitrator. Finally, SCG cross-appeals the trial court's denial of its motion to consolidate another of Schroeder's lawsuits with this one. We find that (i) the trial court did not err in staying

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¶ 5

Schroeder's suit; (ii) the trial court properly found it lacked jurisdiction over Countryside's motion to compel arbitration; and (iii) we lack jurisdiction over SCG's cross-appeal.

BACKGROUND

¶ 6 SCG was founded in 2015 as a company specializing in personal property restoration after fires, floods, and natural disasters. Its two founding members, each with a 50% ownership interest, were (i) DRYCO¹ and (ii) Countryside. Schroeder is the president of DRYCO; Ko is the president of Countryside.

¶ 7 Article 12 of SCG's operating agreement provides for mandatory mediation and arbitration of disputes, as follows:

"12.2 Mediation of Dispute Among Members. In any dispute over the provisions of this Operating Agreement and in other disputes among the Members, if the Members cannot resolve the dispute to their mutual satisfaction, the matter shall be submitted to Mediation. *** In the event the dispute is not resolved through Mediation, the Members agree to submit the dispute to binding Arbitration.

12.3 Arbitration. If a dispute cannot be resolved between the Members pursuant to Section 12.2, the dispute shall be settled by mandatory Arbitration in accordance with the Illinois Uniform Arbitration Act; (a) each party shall select an arbitrator and the two arbitrators shall select a third arbitrator. If either party fails to select an arbitrator within thirty (30) days after the receipt of written demand to do so by the other party, then the one arbitrator selected shall be sole arbitrator; *** (f) this provision *** shall constitute a basis for dismissal of any legal action brought in violation of the duty to arbitrate."

¹ DRYCO later changed its name to Joe Schroeder Legacy, LLC. For consistency, we shall refer to it throughout as DRYCO.

- ¶ 8 Initially, SCG was managed by Burgess Watts. On February 13, 2017, Schroeder (as president of DRYCO) and Ko (as president of Countryside) signed a "Memorandum of Action of Members" to appoint Ko as SCG's new manager.
- ¶ 9 As noted, in 2017, SCG took out two loans from Signature Bank totaling \$1,250,000, which Schroeder and Ko personally guaranteed. The loan agreements required SCG to maintain a certain income level and debt ratio. On June 28, 2018, Signature Bank declared a default, ostensibly because SCG failed to make timely payments, it failed to maintain the requisite income level and debt ratio, and Signature Bank believed that SCG's financial condition had materially worsened to the point where it could not repay the loans.
- ¶ 10 On July 2, 2018, Schroeder personally paid off the loans, and Signature Bank assigned its interest in the loans to Schroeder. Ko asserts this assignment was without consideration, since Schroeder, as a guarantor, had a preexisting legal duty to pay the indebtedness.
- ¶ 11 After taking the assignment from Signature Bank, Schroeder filed two actions that were eventually consolidated in the trial court. In the first action filed on August 1, 2018 (2018 CH 09807) (the Loan Dispute), Schroeder, as assignee of Signature Bank's interest in the loans, brought suit against Ko and SCG. Schroeder sought damages from SCG for breach of the loan agreements and the security agreements, as well as damages from Ko for breach of his personal guaranty.
- ¶ 12 In the second action filed on August 15, 2018 (2018 CH 10315) (the Management Dispute), Schroeder (through DRYCO) brought suit against Ko and Countryside. Schroeder alleged that Ko tried to "convert SCG into his own private enterprise" and, in doing so, "he has run the company into the ground through gross mismanagement and put it on the brink of going out of business." Schroeder sought damages for breach of fiduciary duty and breach of SCG's

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operating agreement. He also sought temporary and permanent injunctions declaring Ko's appointment as manager to be null and void and undoing certain of Ko's managerial decisions. Finally, he asked the court to order that Countryside be judicially expelled from SCG.

¶ 13 After the trial court consolidated the Loan Dispute and the Management Dispute, Ko and Countryside brought counterclaims against Schroeder and DRYCO. Ko alleged that after he became manager of SCG, Schroeder attempted to "hijack" the company by misappropriating company funds, putting DRYCO members and employees on the payroll without Ko's knowledge, forging Ko's signature on documents, and refusing Ko access to the company's financial records. When Ko attempted to reassert himself as manager, Schroeder allegedly induced Signature Bank to declare SCG in default. Ko therefore sought damages for breach of fiduciary duty and defamation, as well as a declaratory judgment that his signature on certain documents was forged. Ko also asked that DRYCO be judicially expelled from SCG.

¶ 14 On August 27, 2018, Ko and Countryside filed a section 2-619 motion to dismiss the Management Dispute pursuant to Article 12 of SCG's operating agreement, which requires that the dispute be submitted to mediation, and if mediation is unsuccessful, binding arbitration. Ko and Countryside claim that his motion constituted their "demand" that the dispute be resolved pursuant to the terms of the operating agreement. While that motion was pending, on September 17, 2018, SCG filed a "Motion to Order Arbitration" in the Loan Dispute, asking the court to order Schroeder and DRYCO to mediate that dispute as well.

¶ 15 On October 17, 2018, SCG sent a letter to DRYCO and Countryside in which it asserted that DRYCO had refused Ko's demand for mediation. Accordingly, SCG directed DRYCO and Countryside to each appoint an arbitrator within 30 days or forfeit the right of appointment, as set forth in Article 12 of the operating agreement.

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¶ 16 On November 2, 2018, the court granted Ko and Countryside's motion to dismiss the Management Dispute with prejudice, stating:

"[T]his matter clearly must be dismissed pursuant to Article Twelve of the SCG Operating Agreement, which requires mediation/arbitration of all disputes 'between the Members.' The core of this case is a dispute between the Members (DRYCO and CCI [Countryside]), and no party disputes the validity or enforceability of the Operating Agreement."

The court also ordered the Loan Dispute stayed pending the outcome of arbitration.

¶ 17

Matters Relating to Schroeder's Appeal

- ¶ 18 Schroeder moved to lift the stay on November 27, 2018, arguing that arbitration of the Management Dispute would not alter his rights under the loan agreements and, therefore, the stay would not promote judicial economy. Schroeder also moved to voluntarily dismiss the Loan Dispute without prejudice under section 2-1009 (735 ILCS 5/2-1009(a) (West 2016)).
- ¶ 19 On February 8, 2019, the trial court denied Schroeder's motion to lift the stay, explaining:

"[T]he instant motion is in essence a motion to reconsider the November 2 Order. Plaintiff provides no new facts or even arguments in support of such reconsideration, merely arguing again that the parties and claims presented are legally distinct. While that may be the case, they are closely related, hence the consolidation of the cases and the court's initial finding that a stay is appropriate. The parties have only further demonstrated through oral argument and through argument on the instant Motion that the matters are not easily separable."

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The court also denied Schroeder's motion to voluntarily dismiss the Loan Dispute, finding that "[a]llowing dismissal at this stage would also potentially violate the purpose of the stay."

- ¶ 20 Schroeder appeals from the court's November 2, 2018 order entering the stay and its February 8, 2019 order denying his motion to lift the stay.
- ¶21

Matters Relating to Countryside's Cross-Appeal

- ¶ 22 As previously mentioned, Ko allegedly issued a "demand" for mediation and arbitration of the Management Dispute on August 27, 2018, and although no mediation was ever conducted as far as the record reveals, on October 17, SCG directed DRYCO and Countryside to each appoint an *arbitrator* within 30 days.² Thirty-four days later, on November 20, Countryside notified DRYCO that while Countryside had selected an arbitrator (Trish Rich), DRYCO had not done so within the 30-day period; thus, the case would proceed to arbitration with Rich as the sole arbitrator. In response, DRYCO purported to select Paul Matthews, a member of DRYCO, as its arbitrator.
- ¶ 23 On December 3, 2018, after the Management Dispute had been dismissed with prejudice and the Loan Dispute had been stayed, Countryside filed a motion to compel arbitration before Rich as sole arbitrator, arguing that (i) DRYCO forfeited its right to choose an arbitrator and (ii) in any event, Matthews was an interested party and therefore could not serve as arbitrator. The trial court denied Countryside's motion on February 21, 2019, explaining that it had already dismissed the Management Dispute and therefore lacked jurisdiction to decide Countryside's motion. The court further stated that even if it retained jurisdiction, the matters raised by Countryside would themselves be subject to arbitration.

 $^{^{2}}$ In a footnote in his brief, Schroeder reveals that on March 16, 2019, Ko and Countryside sent Schroeder a demand for arbitration. This demand, made "without waiver of the effect of those previous demands," highlights the problems with Countryside's cross-appeal discussed *infra*.

- ¶ 24 Countryside appeals the court's February 21 order denying its motion to compel arbitration.
- ¶ 25

Matters Relating to SCG's Cross-Appeal

- ¶ 26 Meanwhile, while the above proceedings were taking place, on December 5, 2018 (after the Cook County court had stayed the Loan Dispute), Schroeder filed a third action in the circuit court of DuPage County (2018 L 1359) (the DuPage Action) against Ko and SCG. The DuPage complaint sought to enforce the Signature Bank loans and contains allegations nearly identical to those in the Loan Dispute. At no point did Schroeder disclose to the DuPage court that his action was subject to Judge Atkins' stay order.
- ¶ 27 On December 19, 2018, Schroeder obtained an *ex parte* judgment by confession in the DuPage Action. Ko and SCG filed an emergency motion to vacate the judgment. On January 17, 2019, the DuPage court vacated the judgment, struck all further proceedings, and transferred the action to Cook County. On Ko's motion, the trial court in the present action entered sanctions against Schroeder, finding that Schroeder engaged in "contumacious disregard of this court's authority in staying the matter and *** a blatant attempt to forum shop."
- ¶ 28 Additionally, on January 4, 2019, Schroeder (through DRYCO) filed a fourth action in the circuit court of Cook County (19 L 443) (the Promissory Note Action) against SCG, seeking damages for breach of a promissory note. Schroeder alleged that on September 30, 2016, DRYCO lent \$837,265 to SCG, as memorialized in a written promissory note,³ with "substantially all of [SCG's] assets" as collateral. Schroeder further alleged that when SCG defaulted on the Signature Bank loans, it "impair[ed] the collateral," thus entitling DRYCO to immediate repayment.

³ Ko asserts that the agreement was not memorialized in writing and the alleged promissory note produced by Schroeder is a fraud.

¶ 29 SCG moved to consolidate the DuPage Action and the Promissory Note Action with the present action. On February 11, 2019, the trial court, per Judge James Flannery, granted the motion as to the DuPage Action but denied it as to the Promissory Note Action. SCG now appeals the February 11 order as it relates to the Promissory Note Action.

¶ 30

ANALYSIS

¶ 31 As discussed, the parties appeal three matters to this court: (i) Schroeder appeals the trial court's stay of the Loan Dispute; (ii) Countryside cross-appeals the trial court's denial of its motion to compel arbitration before a single arbitrator in the Management Dispute; and (iii) SCG cross-appeals the trial court's denial of its motion to consolidate the Promissory Note Action with the present action. For the reasons that follow, we find Schroeder's appeal without merit, we agree with the trial court's finding that it lacked jurisdiction to decide Countryside's motion, and we lack jurisdiction over SCG's appeal because the order appealed from is not final.

¶ 32 Schroeder's Appeal: Stay of the Loan Dispute

- ¶ 33 Schroeder argues that the trial court erred in staying the Loan Dispute pending arbitration of the Management Dispute. We have jurisdiction over this appeal under Supreme Court Rule 307(a)(1) (eff. Nov. 1, 2017), providing for interlocutory appeals as of right from orders "granting, modifying, refusing, dissolving, or refusing to dissolve or modify an injunction." See *TIG Insurance Co. v. Canel*, 389 Ill. App. 3d 366, 372 (2009) (a stay is an injunction within the meaning of Rule 307(a)(1)).
- Generally, in an interlocutory appeal from a ruling on a motion to stay proceedings, we review the trial court's decision for an abuse of discretion. *Hayes v. Victory Centre of Melrose Park SLF, Inc.*, 2017 IL App (1st) 162207, ¶ 11 (citing *Certain Underwriters at Lloyd's, London v. Boeing Co.*, 385 Ill. App. 3d 23, 36 (2008)). But where the relevant facts are not in dispute, or

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the trial court makes no factual findings and issues its ruling as a matter of law, our review is *de novo. Board of Managers of Chestnut Hills Condominium Ass'n v. Pasquinelli, Inc.*, 354 III. App. 3d 749, 753-54 (2004); *Bass v. SMG, Inc.*, 328 III. App. 3d 492, 496 (2002). Here, because the trial court did not engage in any factfinding, *de novo* review is appropriate.

- ¶ 35 Section 2(d) of the Illinois Uniform Arbitration Act⁴ provides: "Any action or proceeding involving an issue subject to arbitration shall be stayed if an order for arbitration or an application therefor has been made under this Section or, if the issue is severable, the stay may be with respect thereto only." 710 ILCS 5/2(d) (West 2016). Moreover, when a lawsuit involves both arbitrable and nonarbitrable issues, the policies that favor arbitration also support a stay of the nonarbitrable issues " where the arbitrable and nonarbitrable issues, although severable, are also interrelated in terms of a complete resolution of the cause between the parties." *Hayes*, 2017 IL App (1st) 162207, ¶ 13 (quoting *Casablanca Trax, Inc. v. Trax Records, Inc.*, 383 Ill. App. 3d 183, 189 (2008) (internal quotation marks omitted)).
- ¶ 36 For instance, in *Hayes*, plaintiff brought wrongful death, family expense, and survival claims against the defendant nursing home. The latter two claims were subject to binding arbitration, but the wrongful death claim was not. *Id.* ¶ 7. We held that the issues were "sufficiently interrelated" that the trial court erred in denying defendant's motion to stay the wrongful death claim pending the results of arbitration. *Id.* ¶ 15. We further explained:

"The result of denying the stay is that two proceedings addressing and determining the same issue are proceeding simultaneously and may arrive at different determinations on the issue of the defendant's negligence. These dual proceedings constitute an inefficient

⁴ Although the trial court did not explicitly reference the Uniform Arbitration Act in issuing the stay, we may affirm upon any ground that appears in the record. *Urban Partnership Bank v. Winchester-Wolcott, LLC*, 2014 IL App (1st) 133556, ¶ 8.

use of judicial resources. Allowing the arbitration to proceed first may eliminate the need for the court proceedings, thus meeting the goals of judicial economy and of resolving disputes outside of the judicial forum." *Id*.

¶ 37 We find the issues in the Management Dispute and the Loan Dispute are inextricably interrelated and, therefore, the trial court acted properly in staying the Loan Dispute. In Ko's counterclaim filed in the Management Dispute, he alleges that Schroeder committed numerous breaches of fiduciary duty that preclude him from enforcing the Signature Bank loan agreement. Specifically, Ko alleges that by misappropriating SCG funds, Schroeder "caused [SCG]'s operating capital to fall to crisis positions" on June 14, 2018. In response, Ko instructed Signature Bank that only he could authorize payment from SCG's accounts. Upon learning of Ko's attempt to reassert himself as manager, Schroeder allegedly "instructed or caused" Signature Bank to declare SCG in default on June 28. These allegations—the truth of which would be at issue in arbitration—bear directly upon the issue of SCG's alleged default, which, in turn, is central to the Loan Dispute. Notably, Schroeder presents a contrary version of events in his complaint, alleging that Ko "has run the company into the ground through gross mismanagement," causing Signature Bank to reasonably believe that SCG was unable to service its debt in violation of the loan agreements. Again, such disputes are subject to resolution under the unambiguous terms of SCG's operating agreement.

¶ 38 In sum, Schroeder is trying to obtain and enforce a judgment as assignee of the Signature Bank loans without having to resolve any of the interrelated and obviously disputed issues between the members regarding SCG's management. Because the Loan Dispute is related to and depends on the outcome of mediation and arbitration, if necessary, as required by SCG's operating agreement, the trial court did not err in staying the matter.

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¶ 39 Schroeder nevertheless cites *Carter v. SSC Odin Operating Co., LLC*, 2012 IL 113204,

¶ 55, for the proposition that only parties to an arbitration contract can be compelled to arbitrate. See also *Royal Indennity Co. v. Chicago Hospital Risk Pooling Program*, 372 Ill. App. 3d 104, 110-11 (2007) (plaintiff could not be compelled to arbitrate claims against defendant where plaintiff did not sign arbitration agreement). Similarly, he argues that claims arising out of one agreement (the Signature Bank loan documents) are not subject to an arbitration clause contained in a separate agreement (SCG's operating agreement). *Board of Managers of Chestnut Hills Condominium Ass'n v. Pasquinelli, Inc.*, 354 Ill. App. 3d 749, 755 (2004). These principles of law, while true, have no application here, since the trial court did not order Schroeder to arbitrate the Loan Dispute; the court merely stayed judicial determination of that dispute pending the results of arbitration of the Management Dispute.

Finally, Schroder argues that the stay is improper under the standard set forth in *Zurich Insurance Co. v. Raymark Industries*, 213 Ill. App. 3d 591, 594-95 (1991). *Zurich* is inapposite because it did not involve a stay under section 2(d) of the Illinois Uniform Arbitration Act. Accordingly, we affirm the trial court's stay of the Loan Dispute.

¶ 41 Countryside's Appeal: Motion to Compel Arbitration

- ¶ 42 As noted, on December 3, 2018, after the trial court dismissed the Management Dispute with prejudice, Countryside moved to compel Schroeder to arbitrate that dispute before a single arbitrator of Countryside's choosing. The trial court denied Countryside's motion on February 21, 2019, and Countryside filed its notice of appeal on March 18, 2019.
- ¶ 43 We have jurisdiction over this appeal under Rule 307(a)(1) (eff. Nov. 1, 2017), which, as discussed, permits interlocutory appeals from orders refusing an injunction. An order compelling arbitration is injunctive in nature. *Fuqua v. SVOX AG*, 2014 IL App (1st) 131429, ¶

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14 (citing Craine v. Bill Kay's Downers Grove Nissan, 354 Ill. App. 3d 1023, 1025 (2005)).

Thus, an order denying a defendant's motion to compel arbitration is also appealable under Rule 307(a)(1). *Ward v. Hilliard*, 2018 IL App (5th) 180214, ¶ 16; *Sturgill v. Santander Consumer USA, Inc.*, 2016 IL App (5th) 140380, ¶ 20. Because the trial court denied Countryside's motion to compel arbitration without an evidentiary hearing, our review is *de novo*. *Sturgill*, 2016 IL App (5th) 140380, ¶ 20.

¶ 44

But although we have jurisdiction to hear this appeal, we agree with the trial court's finding that it did not retain jurisdiction to answer the questions raised in Countryside's motion. Although the court retains inherent authority to enforce its orders, even after 30 days have passed (*Director of Insurance ex rel. State v. A & A Midwest Rebuilders, Inc.*, 383 Ill. App. 3d 721, 722 (2008)), the trial court in this case granted the motion to dismiss finding that the Management Dispute and Ko's counterclaim were subject to the mediation and arbitration provisions of SCG's operating agreement. The court did not order the parties to arbitrate, much less issue any specific directives about the selection of arbitrators. Countryside's motion was not a posttrial motion as it was not directed to the dismissal of the Management Dispute with prejudice (the relief Countryside sought), nor did it seek to enforce any provisions of that judgment. Rather, it sought to raise an entirely new issue, one not encompassed within any of the pleadings filed with the court.

¶ 45 Countryside argues that the trial court had jurisdiction under section 16 of the Uniform Arbitration Act, which provides that making an agreement to arbitrate in Illinois "confers jurisdiction on the court to enforce the agreement under this Act and to enter judgment on an award thereunder." 710 ILCS 5/16 (West 2018). Although this section provides for jurisdiction in the first instance (*i.e.*, before dismissal of an action), it does not purport to enable parties to an

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agreement for alternative dispute resolution to present freestanding, unrelated issues to a circuit court, particularly after the court has dismissed the underlying dispute with prejudice. Accordingly, we find that the trial court properly denied Countryside's motion to compel arbitration before a single arbitrator.

¶ 46 We further note that Countryside's motion to compel arbitration before a single arbitrator overlooks section 12.2 of SCG's operating agreement, which mandates an attempt to resolve disputes between the members by mediation before binding arbitration. Even if we agreed that Countryside's motion to dismiss could be construed as a "demand" under section 12 of SCG's operating agreement, and even if DRYCO's opposition to the motion could be considered a failure to respond to or an affirmative refusal of that demand (both dubious propositions), the remedy would be to enforce section 12.2 and direct the members to participate in mediation, not to skip that provision entirely and proceed directly to binding arbitration under section 12.3.

¶ 47 SCG's Appeal: Motion to Consolidate

¶ 48 Finally, SCG cross-appeals the trial court's denial of its motion to consolidate the Promissory Note Action with the present action.

- ¶ 49 SCG claims we have jurisdiction under Supreme Court Rule 303(a)(3) (eff. July 1, 2017), which provides that if a timely notice of appeal is filed by one party, the other party has 10 days after service to file a cross-appeal. Here, SCG's cross-appeal was timely filed on March 18, 2019, within 10 days of service of Schroeder's March 7 notice of appeal.⁵
- ¶ 50 But it is well established that "only final judgments or orders are appealable unless the particular order falls within one of the *** specified exceptions enumerated by Illinois Supreme Court Rule 307." *Rogers v. Tyson Foods, Inc.*, 385 Ill. App. 3d 287, 288 (2008); see also *Mund*

⁵ Day 10, March 17, 2019, was a Sunday.

v. Brown, 393 Ill. App. 3d 994, 998-99 (2009) (appellate court lacked jurisdiction over appeal from nonfinal order). A denial of a motion to consolidate is not a final order, because it does not "determine[] the litigation on the merits so that, if affirmed, the only thing remaining is to proceed with the execution of the judgment." (Internal quotation marks omitted.) *Fidelity National Title Insurance Co. of New York v. Westhaven Properties Partnership*, 386 Ill. App. 3d 201, 210 (2007). Accordingly, we lack jurisdiction over SCG's cross-appeal.

- ¶ 51 In its reply brief, SCG argues for the first time that we additionally have jurisdiction under Supreme Court Rule 307(a)(1). This argument is forfeited (III. S. Ct. R. 341(h)(7) (eff. May 25, 2018)) and, in any event, it lacks merit. SCG argues that if the Promissory Note case had been consolidated with the present action, then defendants could have moved for arbitration, and the trial court could have ordered the case to arbitration or ordered it stayed, either of which would be an injunctive order under Rule 307(a)(1). But none of that hypothetical future motion practice serves to transform the order at issue—denial of a motion to consolidate—into an injunctive order. Thus, we lack jurisdiction over SCG's cross-appeal under Rule 307(a)(1).
- ¶ 52

CONCLUSION

¶ 53 For the foregoing reasons, we find that (i) the trial court did not err in staying the Loan Dispute pending the results of arbitration; (ii) the trial court did not err in denying Countryside's motion to compel arbitration before a single arbitrator; and (iii) we lack jurisdiction over SCG's cross-appeal of the trial court's denial of its motion for consolidation.

¶ 54 Affirmed; cross-appeal dismissed.

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