2016 IL App (2d) 141254-U
No. 2-14-1254
Order filed September 28, 2016

IN THE

APPELLATE COURT OF ILLINOIS

SECOND DISTRICT

In re MARRIAGE OF KARIN M. JONES, Petitioner-Appellee/Cross-Appellant, and GREGORY K. JONES, Respondent-Appellant/Cross-Appellee	))))))))))	Appeal from the Circuit Court of Lake County. No. 06-D-1272 Honorable Christopher B. Morozin, Judge, Presiding.

JUSTICE HUTCHINSON delivered the judgment of the court.
Justices Burke and Birkett concurred in the judgment.

ORDER

¶ 1 *Held*: On respondent's appeal, the trial court erred in denying summary judgment motion regarding his ISC and Earnout shares and granting petitioner's motion for summary judgment. The trial court's order reducing maintenance is vacated and remanded with a retroactive reduction date in harmony with a prior court order. On petitioner's cross-appeal, we reverse the trial court's dismissal for lack of subject matter jurisdiction; however, based on our reversal of petitioner's grant of summary judgment, we enter summary judgment in respondent's favor on that issue.

¶ 2 In this appeal, respondent, Gregory Jones, first contends that the trial court erred, as a matter of law, in denying his summary judgment motion regarding his restricted initial stock consideration ("ISC") and Earnout shares when it granted petitioner's, Karin Jones', motion for

summary judgment. Respondent's second contention is that the trial court erred in not terminating petitioner's maintenance. Petitioner raises a single-issue cross-appeal, contending that the trial court erred in finding that it lacked subject matter jurisdiction to adjudicate petitioner's breach of contract claim.

¶ 3 ISC AND EARNOUT SHARES

¶ 4 Respondent and petitioner were the subject of a judgment of dissolution of marriage entered in Lake County on January 30, 2009. The judgment incorporated by reference the parties' martial settlement agreement ("MSA"). The MSA incorporated by reference a property settlement agreement ("PSA"), effective January 1, 2009.

¶ 5 At the time of the judgment, respondent worked as Chief Operating Officer of Edgewater Funds, a private equity firm. The parties' MSA identified respondent's business interests as Edgewater III Management, LP ("1998 Fund"), Edgewater IV Management, LLC ("2001 Fund"), and Edgewater Growth Capital Management II, LP ("2004 Fund"). The parties' PSA provided payments to petitioner from respondent in connection with these business interests. Section 2.1 of the PSA granted petitioner portions of the capital balances respondent had invested into these funds during their marriage. Petitioner also received 20% of the ongoing management fees related to the 2001 Fund and the 2004 Fund. Petitioner received 50% of the ongoing carried interests in the 1998 Fund and 2001 Fund, as well as 37.5% of the ongoing carried interest in the 2004 Fund. Respondent retained the remaining percentages in each of these funds. Section 2.2 of the PSA provided that all payments from respondent to petitioner would be of net taxes paid by respondent.

¶ 6 The parties' PSA contemplated a transaction involving an interested party which would ultimately be a company called the Lazard Group LLC ("Lazard"), consummating a change in

control of the funds owned by Edgewater Funds. The change in control would sell respondent's interests in the above-mentioned funds in exchange for certain considerations, with Karin receiving half of that consideration. Section 11 the PSA provides:

> "11. Sale Event. Greg represents and warrants to Karin that a third-party buyer and/or its affiliates (together, the "Interested Party") has expressed interest in acquiring a controlling interest in Edgewater (as defined below) and, to his knowledge, that no other party has expressed such interest in the last 12 months. The acquisition of a controlling interest in Edgewater by the Interested Party is a "Change in Control." If a Change in Control occurs within 18 months from the execution date of this Agreement, Greg will pay to Karin 50% of all consideration received by Greg with respect to the Change in Control, including, without limitation, (a) any consideration that transferor and transferee allocate to the Fund GPs in the definitive agreements from Edgewater, less Greg's Tax Obligation; provided Karin's 50% share shall not include any consideration received by Greg with respect to his provision of future services to the Interested Party or on account of future investment transactions effected on behalf of the Interested Party. ***."

Paragraph 18 and 18.1 of the PSA provides:

> "18. Karin's Representation and Warranties. Karin represents and warrants to Greg as follows:
>
> 18.1 Karin has no interest in any Edgewater Funds formed subsequent to the 2004 Fund including, without limitation, the Edgewater Fund that is currently engaged in fund raising activities."

¶ 7 Lazard consummated a "Change in Control" on July 15, 2009, and acquired certain interests in Edgwater Holdco, LLC ("HoldCo"), a holding company for certain Edgewater Funds

interests, including approximately 50% of respondent's and his partners' right to receive approximately 50% of their future carried interests and management fees in the 2001 Fund and 2004 Fund in exchange for cash consideration. Respondent received $5,896,174 in pre-tax cash for his interest in the 2001 Fund and 2004 Fund. Respondent paid petitioner 50% of the after-tax sum in accordance with Paragraph 11 of the PSA. The amount of the 2001 and 2004 Funds' future carried-interest distributions and management fees retained by respondent continue to be divided with petitioner pursuant to the PSA.

¶ 8 Lazard also acquired the right to receive 50% of the future carried interests and management fees for the Edgewater Growth Capital Management III (2011 Fund). The 2011 Fund was a general partner of the Edgewater Growth Capital III. Pursuant to the purchase agreement between Lazard and Edgewater, respondent gave Lazard 50% of the future management fees and carried interest in the 2011 Fund as well as the future services of respondent and his partners to raise $400,000,000 in capital related to the 2011 Fund within two years of the closing date of Lazard/Edgewater merger. As consideration, respondent received restricted ISC and the right to receive Earnout shares. The ISC and Earnout shares were subject to respondent and his partners raising the requisite $400,000,000 in capital related to the 2011 Fund and meeting certain business thresholds related to the 2011 Fund and a future, yet formed fund. Lazard held the ISC and Earnout shares in an account, to be released to respondent and his partners as certain thresholds were met.

¶ 9 On September 7, 2010, petitioner filed an amended petition for rule and for other relief, claiming respondent was in violation of the MSA by failing to provide 50% of his ISC and Earnout shares with petitioner. Petitioner's petition pointed to the language of Section 11 of the PSA, which she claimed entitled her to 50% of all cash and non-cash consideration received by

respondent related to the sale of his interests in Edgewater Funds. On November 18, 2010, respondent denied petitioner's amended petition for rule and for other relief and filed his own motion to strike pursuant to Section 2-615 and Section 2-619 of the Code of Civil Procedure. On January 5, 2011, respondent filed a supplemental affirmative response to the amended petition for rule to show cause and a counterclaim to reform marital settlement agreement and other relief. Petitioner filed her reply to both respondent's supplemental affirmative response and motion to strike. The parties then proceeded to a lengthy discovery process.

¶ 10 Petitioner testified on September 9, 2011, at her deposition. Respondent's counsel asked the following questions and petitioner gave the following answers:

> Q. And drawing your attention to Page 9 of Exhibit B, the property settlement agreement. I've highlighted it. I'm just going to reach here so we can all look at it together. But in that agreement you have – it states on No. 18: Karin's Representations and Warranties. Karin represents and warrants to Greg as follows: 18.1, Karin has no interest in any Edgewater Funds formed subsequent to the 2004 Fund including, without limitation, the Edgewater Fund that is currently engaged in fundraising activities. Is that part of your marital settlement agreement and what you represented and warranted?
>
> A. I believe so.
>
> Q. So you agree that any Funds that were created after that 2004 Fund, you waived any interest in; is that correct?
>
> A. Yes.

¶ 11 Michael Nemeroff, president and CEO of the Vedder Price Law Firm and chairman of its finance and transaction group, represented Edgewater in structuring the transaction with Lazard. He was deposed by respondent's counsel on August 3, 2012. During this deposition, Mr.

Nemeroff testified regarding how the 2011 Fund worked within the structure of the Lazard deal as follows:

> Q: The cash component of the Lazard deal did not include any value for the [2011 Fund]?
>
> A: Yes, that's correct.
>
> Q: And how do you know that?
>
> A: Because the Fund – all the value for [2011 Fund] related to the – what they call the first tranche of shares or the initial ISC Shares or initial stock consideration. The only way the sellers were able to keep the ISC Shares is that they would have raised [2011 Fund] which didn't even exist at the time we were doing the transaction. It was prospective.
>
> Q: So with [2011 Fund], whatever consideration that was received by the sellers for [2011 Fund], was from the ISC Shares and the Earnout Shares?
>
> A: Right. The ISC Shares all related to [2011 Fund], and a portion of the Earnout Shares could have been earned if they would have outperformed the 400 and I think it was 35 million. They had to raise $400 million within two years after the July 15th, 2009 closing date in order – to be deemed to have a successful raise of [2011 Fund] and get to keep those ISC Shares subject to certain hurdles still yet later for four years And then a portion of the Earnout Shares they were able to earn if they outperformed on [2011 Fund], and they were able to get a piece of the Earnout Shares, not all of them. The majority of those Earnout Shares, I believe don't come – were not even eligible to be earned until Fund IV, which is still years in the future from even today.

Mr. Nemeroff went on to testify at this deposition regarding the thresholds necessary for

respondent and his partners to reach before the lapse of the ISC and Earnout Shares:

Q: So with that first sentence in subparagraph (e), if $400 million hadn't been raised, 1.04(f) really had no relevance?

A: True.

Q: They had to get the $400 million before any of these other provisions had to be coming in?

A: Correct

***

Q: So there were really two thresholds. They had to raise the $400 million in two years, and then for the following – would it have been five years?

A: Four years.

Q: Four years thereafter they had to achieve a certain level of fee revenue?

A: $60 million of fee would come over that four-year period.

Q: To satisfy the ISC Shares?

A: Right, to have the ISC Shares be released a quarter at a time per year.

Q: The plain reading of it is that the company, namely Lazard – I'm sorry, that if the $400 million hadn't been raised within the two years, then there are no ISC Shares or Earnout Shares for that matter?

A: Correct.

Q: Even if Greg decide to – Greg Jones decided to quit, stop running service, if, in fact, the $400 million had not been raised for [2011 Fund], Greg would not have been entitled to the ISC Shares?

A: Correct

¶ 12 Following discovery, on March 13, 2013, petitioner filed a motion for declaratory judgment and breach of contract. The declaratory judgment count sought "an order declaring Karin's right to receive fifty percent of the Initial Share Consideration received by Gregory." Additionally, the declaratory judgment count sought "an order declaring Karin's right to receive fifty percent of the Earnout Share Consideration received by Gregory not attributable to Gregory's post-decree employment efforts." The breach of contract count alleged damages for respondent's breach of the PSA. On April 24, 2013, the trial court entered a memorandum opinion and order dismissing both counts of petitioner's motion pursuant to Section 2-619 of the Code of Civil Procedure.

¶ 13 The trial court's (Judge Jay W. Ukena presiding) memorandum opinion and order regarding petitioner's motion for declaratory judgment and breach of contract dismissed both counts of petitioner's petition for lack of subject matter jurisdiction. The trial court found petitioner's motion failed to seek the court's jurisdiction to enforce the terms of the judgment for dissolution of marriage. Petitioner's claims for declaratory relief and money damages were found procedurally improper because they were not cognizable in a post-judgment setting.

¶ 14 Following petitioner's motion to reconsider, the trial court issued another order on November 13, 2013, in which it found petitioner's motion for declaratory judgment was proper. The trial court found petitioner's declaratory judgment motion sought entry of an order declaring all rights and obligations of the parties under the MSA, which included her rights regarding the ISC and Earnout shares. The trial court's dismissal of petitioner's motion with respect to her breach of contract claim was again denied.

¶ 15 The parties filed cross-motions for partial summary judgment. Respondent's motion argued that the ISC and Earnout shares were given to him by Lazard as incentive for his future

services in developing funds created after the 2004 Fund, thus free of any claim by petitioner under the clear terms of the PSA. Petitioner's motion argued that the ISC and Earnout shares were consideration received by respondent for the sale of the 2001 Fund and 2004 Fund, thus entitling her to receive her allotted portion under the clear terms of the PSA. The parties stipulated that the terms of the PSA were clear and unambiguous.

¶ 16 The trial court heard arguments from both parties' on their summary judgment motions on September 3, 2014. The court found there was no issue of fact regarding the transactions, agreed with the parties that the PSA was clear and unambiguous, and granted petitioner's motion for partial summary judgment. In its ruling, the trial court found:

> "It is clear from the reading of the Purchase Agreement that the consideration given was not consideration for [2011 Fund], it was consideration from a [2001 Fund] and [2004 Fund]. That is clear on the face of the written agreement."

A written order was entered denying respondent's motion for partial summary judgment and granting petitioner's.

¶ 17 TERMINATION OF MAINTENANCE

¶ 18 The parties' MSA provided that respondent pay petitioner $25,000 per month in permanent maintenance. Section 5(B) of the MSA specifically enumerated when that maintenance award was subject to review:

> "B. The amount of KARIN's permanent maintenance shall be subject to review upon the occurrence of any of the following events:
>
> i. The emancipation of both [children], as defined in paragraph 7(E) below.;

ii. KARIN's receipt of Edgewater distributions, excluding distributions paid to KARIN that are attributable to GREGORY's interest in management fees pursuant to paragraph 5(a)(i) above, enabling KARIN to reasonably contribute to her ongoing support;

iii. A relapse and/or recurrence to KARIN of serious medical issues relating to KARIN's previous exposure to cancer; and/or

iv. A substantial change in circumstance excluding the circumstances set forth in Paragraph 5(a)(i)."

¶ 19 On October 15, 2009, respondent filed a petition for review and modification of maintenance. At the time respondent filed this motion, he was paying petitioner $25,000 per month in maintenance. His motion sought to modify maintenance pursuant to the parties' MSA which allowed review of permanent maintenance in the event of petitioner's receipt of distributions from respondent's Edgewater Funds, excluding distributions attributable to respondent's interest in management fees. Respondent's motion prayed for a modification in maintenance as petitioner had received cash proceeds from the Edgewater merger and other distributions related to the 1998 Fund, 2001 Fund, and 2004 Fund. On November 16, 2009, respondent filed an amended petition for review and modification of maintenance, duplicative of the original filing with the exception any relief granted be retroactive to the date of his original petition. On July 12, 2010, the trial court (Judge Jay W. Ukena presiding) ordered that "[a]ny modification of [respondent's] maintenance [obligation to petitioner] be retroactive to 7/12/10[.]"

¶ 20 On January 11, 2011, petitioner filed her response to respondent's amended petition in which she generally denied the allegations raised by respondent. On June 22, 2012, respondent filed a petition to terminate maintenance. This petition asked the trial court to terminate

maintenance based on petitioner having received $3.4 million from respondent pursuant to the parties' PSA. One of the parties' children had become emancipated as well. On July 3, 2014, petitioner filed a response to respondent's petition to terminate maintenance and generally denied the allegations.

¶ 21 On December 17, 2014, the matter proceeded to trial upon stipulations. Among these stipulations, one stated the value of petitioner's total estate is approximately $7 million, while another stated that petitioner's investible assets are approximately $6,061,573. Yet another stipulation stated that "[a]ny modification of maintenance shall be retroactive to 7/20/10 ***." Finally, there was a stipulation that respondent withheld $131,762.03 from his maintenance payments to petitioner which would be applied to the amount due to petitioner in accordance with the retroactive date of modification (July 12, 2010).

¶ 22 The trial court considered stipulations and admissions of the parties, exhibits entered into evidence, and applicable statutory and case law. The trial court found the parties, pursuant to the MSA, had agreed to permanent maintenance, not rehabilitative maintenance, subject to Sections 504 and 510 of the IMDMA. The court found the MSA limits the review of permanent maintenance to the amount paid, not the duration of maintenance. Respondent failed to prove a substantial change in circumstances warranting a modification or termination of petitioner's permanent maintenance because, according to the trial court, petitioner's receipt of cash received via the PSA and other financial consideration provided by respondent were all contemplated by the parties at the time the judgment for dissolution was entered. The trial court found the emancipation of the parties' children constituted an event subjecting the amount of the permanent maintenance to review.

¶ 23 Respondent's requests for modification of maintenance and termination of permanent maintenance were denied. However, respondent's request to review the amount of permanent maintenance was granted. After considering all statutory and related factors, the trial court found a significant reduction in the monthly amount of permanent maintenance was warranted. Respondent's obligation to petitioner was reduced to $7,500 per month, retroactive to May 31, 2014, which was the end of the month that the youngest child became emancipated.

¶ 24 ANALYSIS

¶ 25 We first examine respondent's contention that the trial court erred when it denied his motion for summary judgment regarding his restricted ISC and Earnout shares. Respondent argues that the plain language of the PSA would clearly and unambiguously exclude his ISC and Earnout shares from any claim by petitioner. We agree.

¶ 26 The interpretation of a marital settlement agreement presents a question of law which we review *de novo*. *Blum* 236 Ill. 2d at 33. We also review the trial court's summary judgment determination using a *de novo* standard of review. *Palm v. 2800 Lake Shore Drive Condo. Ass'n,* 2013 IL 110505, ¶ 28 (citing *Millennium Park Joint Venture, LLC v. Houlihan,* 241 Ill. 2d 281, 309 (2010)).

¶ 27 Marital settlement agreements are construed in the manner of any other contract, and the court must interpret the parties' intent from the language of the agreement. *Blum,* at 33. "In determining the parties' intent, courts must view the contract as a whole and not focus on isolated terms or provisions." *In re Marriage of Chez,* 2013 IL App (1st) 120550, ¶ 16. "Absent ambiguity, courts must interpret a contract by its clear language and not according to the parties' subjective interpretations." *Id.* ¶ 17.

¶ 28 The judgment for dissolution of the parties' marriage incorporated by reference the MSA and PSA. Paragraph 18.1 of the PSA provides:

> "18.1 Karin has no interest in any Edgewater Funds *formed subsequent to the 2004 Fund including, without limitation, the Edgewater Fund that is currently engaged in fund raising activities.*" (Emphasis added.)

¶ 29 The plain language of this paragraph in the PSA provides that petitioner was excluded from and not entitled to distributions relating to funds created after the 2004 Fund. This would include the 2011 Fund, which was then currently engaged in fund-raising activities, and any other subsequently created fund. Petitioner was entitled to her share of the 2001 Fund and 2004 Fund, and was paid $2,190,941.20 for her interests in those funds. Indeed, petitioner testified at her deposition that she had waived any interest in funds created after the 2004 Fund.

¶ 30 The ISC and Earnout shares, to which respondent contends petitioner is not entitled, were contingent on respondent and his partners' future services to Lazard. Respondent and his partners were required to raise $400,000,000 in capital related to the 2011 Fund in order to remove restrictions on the ISC and Earnout shares. Additionally, other funds not even in existence were tied to the complete release of the restricted shares. It is clear from the language of the Purchase Agreement that Lazard was to obtain the future services of respondent and his partners to raise capital for the 2011 Fund as well as future funds. The ISC and Earnout shares were entirely dependent on these future services which the parties' PSA specifically contemplated and excluded petitioner from reaching. Paragraph 11 of the PSA reads:

> "11. Sale Event. Greg represents and warrants to Karin that a third-party buyer and/or its affiliates (together, the "Interested Party") has expressed interest in acquiring a controlling interest in Edgewater (as defined below) and, to his knowledge, that no other

party has expressed such interest in the last 12 months. The acquisition of a controlling interest in Edgewater by the Interested Party is a "Change in Control." If a Change in Control occurs within 18 months from the execution date of this Agreement, Greg will pay to Karin 50% of all consideration received by Greg with respect to the Change in Control, including, without limitation, (a) any consideration that transferor and transferee allocate to the Fund GPs in the definitive agreements from Edgewater, less Greg's Tax Obligation; provided *Karin's 50% share shall not include any consideration received by Greg with respect to his provision of future services to the Interested Party or on account of future investment transactions effected on behalf of the Interested Party. ****." (Emphasis added).

¶ 31 The plain reading of this paragraph of the PSA makes it clear that the ISC and Earnout shares acted as consideration for respondent's future services to Lazard and should be excluded from petitioner's claim. Paragraphs 11 and 18.1 of the PSA illustrate the parties' intention to limit petitioner's interests to the 2001 Fund and 2004 Fund. The Lazard purchase was also contemplated in the first sentence of Paragraph 11 and excluded petitioner explicitly from the fruits of respondent's future services to Lazard regarding any funds created subsequent to the 2004 Fund. Therefore, we find that the trial court erred when it denied respondent's motion for partial summary judgment and granted petitioner's cross-motion for partial summary judgment. We reverse that order and enter partial summary judgment in favor of respondent; the ISC and Earnout Shares were excluded from any claims by petitioner.

¶ 32 Having resolved the ISC and Earnout shares issues in respondent's favor, our review of respondent's petition to review and modify petitioner's maintenance and his later petition to terminate maintenance will focus on some limited issues.

¶ 33 Based on our holding here that finds petitioner excluded from respondent's ISC and Earnout Shares, we decline to examine the trial court's denial of respondent's petition to terminate maintenance but briefly discuss respondent's petition to review and modify maintenance.. The trial court held a hearing on December 17, 2014, concerning both of respondent's petitions, more than three months after the trial court granted petitioner's motion for partial summary judgment concerning the ISC and Earnout Shares. In its written judgment order the trial court noted that its decision to reduce petitioner's maintenance was based in part on "the parties current assets[.]" At the time of the trial court's order petitioner's assets included her right to a percentage of respondent's future earnings related to the ISC and Earnout shares. In light of our reversal of that grant to petitioner, the trial court's order reducing maintenance from $25,000 per month to $7,500 per month must be vacated and remanded to allow the trial court to have an accurate illustration of both parties' current financial situations.

¶ 34 However, we do find respondent's contention that the trial court erred in not making any reduction retroactive to July 12, 2010, in accordance with the prior trial court judge's order meritorious. Again, pursuant to section 5(B) of the parties' MSA, the amount of petitioner's maintenance was subject to review upon the occurrence of any of the following factors:

> " i. The emancipation of both [children], as defined in paragraph 7(E) below.;
>
> ii. KARIN's receipt of Edgewater distributions, excluding distributions paid to KARIN that are attributable to GREGORY's interest in management fees pursuant to paragraph 5(a)(i) above, enabling KARIN to reasonably contribute to her ongoing support;
>
> iii. A relapse and/or recurrence to KARIN of serious medical issues relating to KARIN's previous exposure to cancer; and/or

> iv. A substantial change in circumstance excluding the circumstances set forth in Paragraph 5(a)(i)."

¶ 35 Respondent's amended petition for review and modification of maintenance asked the court to modify his obligation to petitioner because she had received significant cash proceeds from the Edgewater merger and other Fund distributions related to the parties' remaining interests. This event warranted review of petitioner's maintenance as enumerated in section 5(B)(ii) above. The trial court found that the request for modification of maintenance retroactive to July 12, 2010 pursuant to the prior trial court judge's order should be denied because:

> "[t]he court is not granting a modification of permanent maintenance but is granting a review of maintenance and because the basis of the court's review of permanent maintenance are things which occurred well after the Court Order of July 12, 2010 namely: a.) the emancipation of both [children] which occurred in May of 2014, *** and b.) Karin's receipt of $937,930.84 in Edgewater non-management distribution fees through July 17, 2014 which enables her to reasonably contribute to her ongoing support."

¶ 36 Respondent's amended petition for review and modification of maintenance was filed in November 2009, and the prior trial court judge based the retroactive reduction on the basis of that petition for review. At the time of the order setting the retroactive date at July 12, 2010, petitioner was in receipt of Edgewater distributions, specifically $864,300 in non-management fee distributions. Therefore, the triggering event for review under the parties' MSA had occurred and the retroactive reduction date of July 12, 2010 was proper. Although we note that a trial court is not bound by the order of a prior trial court judge, here the reason for setting the date for reduction of the amount of permanent maintenance at May 31, 2014, was incorrect based on the

petition being heard. See *Leggett v. Kumar*, 212 Ill. App. 3d 255, 273 (A court is not bound by an order previously entered by a different judge in the same case and has the power to correct orders which it finds erroneous). We find the trial court abused its discretion in failing to make the reduction retroactive to July 12, 2010 in accordance with the prior trial judge's maintenance order.

¶ 37 Finally, we address petitioner's cross-appeal. Petitioner contends the trial court erred when it dismissed her breach-of-contract complaint under 735 ILCS 5/2-619(a)(1) (West 2012), based on the court's mistaken belief that it lacked subject matter jurisdiction to adjudicate that claim. We agree with petitioner that her complaint should not have been dismissed on jurisdictional grounds. Circuit courts are courts of general jurisdiction, and petitioner's breach-of-contract claim, like most legal claims, was a justiciable matter which belongs in the circuit court; it was not one of a select class of claims our state constitution has designated to a special tribunal, such as a suit against a state employee heard in the Court of Claims or an original action heard in the Illinois Supreme Court. *McCormick v. Robertson*, 2015 IL 118230, ¶¶ 20, 28; *In re Luis R.*, 239 Ill. 2d 295, 303 (2010); *In re Marriage of Kuyk*, 2015 IL App (2d) 140733, ¶ 10. Accordingly, the trial court had the requisite subject matter jurisdiction to hear and decide petitioner's breach-of-contract claim on the merits because that is where such claims are heard and decided.

¶ 38 Petitioner's victory on this particular point of civil procedure however is of little moment. Petitioner's breach-of-contract claim was substantively identical to her petition for declaratory judgment, which as we have just explained should not have been granted. Therefore, we reverse the dismissal of petitioner's breach-of-contract claim on jurisdictional grounds, and enter

summary judgment in respondent's favor on the breach-of-contract claim as well. See *Barba v. Village of Bensenville*, 2015 IL App (2d) 140337, ¶ 39.

¶ 38 For the reasons stated, we reverse the trial court's order granting petitioner's motion for partial summary judgment concerning the ISC and Earnout shares and enter partial summary judgment in favor of respondent. We vacate the trial court's order which reduced petitioner's permanent maintenance from $25,000 to $7,500 per month and remand the matter to the trial court for further litigation with any reduction date retroactive to July 10, 2012. Last, we reverse the dismissal of petitioner's breach-of-contract claim concerning the ISC and Earnout shares, and enter partial summary judgment in respondent's favor on that issue.

¶ 39 Reversed in part, vacated and remanded in part.