- 10. On or about October 2, 2014 PLAINTIFF Paul R Dulberg began calling the office of Randy Baudin Sr. multiple times, but nobody called back until December of 2014.
- 11. On or about September 22, 2015 Plaintiff Paul R Dulberg along with his mother Barbara Dulberg and brother Tom Kost went to meet with Randy Baudin Sr., and Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin at the office of Randal Baundin Sr. to discuss possible representation.
- 12. Upon entering the office of Randy Baudin Sr. Dulberg on September 22, 2015 Plaintiff met with a receptionist who called herself Myrna and she introduced Dulberg to Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin, attorneys of the firm.
- 13. When Barbara Dulberg inquired about Randy Baudin Sr, she was told that he was not available, not real active these days but doing okay.
- 14. A meeting took place on September 22, 2015 between Plaintiff Dulberg, Barbara Dulberg, Tom Kost and Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin.
- 15. On September 22, 2015 Plaintiff Dulberg entered into a fee agreement with Baudin & Baudin, an association of attorneys which at the time was located at 2100 Huntington Dr., Suite C Algonquin IL. 60102 (Please see Plaintiffs' exhibit 1 attached).
- 16. At the time Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin belonged to Defendant KELRAN, INC A/K/A THE BAUDIN LAW GROUP, Ltd., located at 304 McHenry Ave., Crystal Lake, Illinois 60014.
- 17. Plaintiff Dulberg informed Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin at their opening meeting that he intended/required that they were willing to take the case to trial.
- 18. Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin agreed to take the case to trial if necessary.
- 19. Plaintiff Dulberg hired Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin to represent him in prosecuting his claims in the pending case designated as 12 LA 178 and that the case was an asset of the Bankruptcy Estate Bk No.:14-83578.
- 20. Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin did not review or did not use the relevant fact that within 12 LA 178 there was an unanswered (and never answered) cross-claim that would have determined liability for the remaining defendant.
- 21. Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin did not review or did not use the relevant fact that within 12 LA 178 there was an unanswered (and never answered) Interrogatories that may have determined liability for the remaining defendant.
- 22. Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin did not inform Circuit Court Judge handling 12 LA 178 that Plaintiff Paul Dulberg had filed for bankruptcy protection in Bk No.:14-83578.
- 23. On July 15, 2016 Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin invited Dulberg and his mother, Barbara Dulberg, to meet at Jamison Charhouse.
- 24. On July 15, 2016 at 2:22 PM from (815) 814-2193 Defendant WILLIAM RANDAL BAUDIN II sent a text message to Plaintiff Dulberg stating "Kelly and I would like speak with you and your mom Monday night at 630"

- 25. On July 15, 2016 at 2:27 PM Plaintiff Dulberg sent a text message to Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin stating "Okay, Monday the 18th at 6:30 pm. Do we need to bring anything?"
- 26. On July 15, 2016 at 2:29 PM Defendant WILLIAM RANDAL BAUDIN II sent a text message to Plaintiff Dulberg stating "Maybe the social security report if you have it? We will Jameson's Charhouse crystal lake at 630 in meeting room there."
- 27. On July 18, 2016 at 4:26 PM Plaintiff Dulberg sent a text message to Defendant WILLIAM RANDAL BAUDIN II stating "Still on for tonight?"
- 28. On July 18, 2016 at 4:26 PM Defendants WILLIAM RANDAL BAUDIN II sent a text message to Plaintiff Dulberg stating "Yes sir."
- 29.On July 18, 2016 Defendants WILLIAM RANDAL BAUDIN II and Kelly N. Baudin met with Dulberg and his mother, Barbara Dulberg, at the Jamison Charhouse. During this meeting, Randal and Kelly Baudin informed Dulberg about ADR and tried to convince Dulberg to say Yes to the ADR. Dulberg did not agree with the ADR. Randy asked Dulberg to think it over and Dulberg agreed to think it over and get back to him.
- 30. On July 18, 2016 at 8:54 PM Plaintiff Dulberg sent a text message to Defendant WILLIAM RANDAL BAUDIN II stating "Would we be in a better position if the SSDI decision was already in and would that make a difference in the amount the arbitration judge would award?"
- 31. On July 18, 2016 at 10:12 PM Defendants WILLIAM RANDAL BAUDIN II and sent a text message to Plaintiff Dulberg stating "So sorry came in garbled. Are you taking our recommendation as to the binding mediation?"
- 32. On July 18, 2016 10:13 PM Plaintiff Dulberg sent a text message to Defendant WILLIAM RANDAL BAUDIN II "You will have an answer tomorrow"
- 33. On July 19, 2016 at 12:23 AM Plaintiff Dulberg sent a text message to Defendant WILLIAM RANDAL BAUDIN III stating "Sorry but I want to get this to you while its fresh Please answer this in the morning How are costs and attorney fees handled in binding arbitration? Do they come out of the award or are they in addition to the award like a trial?"
- 34. On July 19, 2016 at 3:57 AM Defendants WILLIAM RANDAL BAUDIN II sent a text message to Plaintiff Dulberg stating "Both Handled the same as trail."
- 35. On July 19, 2016 at 7:02 AM Plaintiff Dulberg sent a text message to Defendant WILLIAM RANDAL BAUDIN II stating "Does that mean your fees and costs are awarded separate from the award or do they still come out of the 300k cap?"
- 36. On July 19, 2016 at 7:06 AM Defendant WILLIAM RANDAL BAUDIN II sent a text message to Plaintiff Dulberg stating If at trial and win 300 max Costs not above that. Same as mediation. We can ask for judge to award costs in both. Up to judge to award. Also costs mean filing fee service fee. Not the costs like experts bills.
- 37. On July 19, 2016 at 7:54 AM Plaintiff Dulberg sent a text message to Defendant W. Randall Baudin II stating "We are thinking that if we can get Allstate to agree in advance and in writing to cover your % (fee) and all the costs including deposition fees, expert witness fees and medical above and beyond any award the arbiter sees fit then we would be willing to go forward. Let's just see if they are open to it"
- 38. On July 19, 2016 at 7:56 AM Defendant W. Randall Baudin II sent a text message to Plaintiff Dulberg stating "They won't. The judge will decide what the award is and that is the award. We again urge you to do the binding mediation."
- 39. On July 19, 2016 at 8:40 AM Plaintiff Dulberg sent a text message to Defendant W. Randall Baudin II stating "They are the ones pushing for arbitration correct? Why?"

- 40. On July 19, 2016 at 8:47 AM Plaintiff Dulberg sent a text message to Defendant W. Randall Baudin II stating "I have to run to the dr's appointment. I'd tell Kelly to ask that Allstate wait till possibly Thursday for their answer. It's not like it cost them anything"
- 41. On July 19, 2016 at 10:07 AM Defendant W. Randall Baudin II sent a text message to Plaintiff Dulberg stating "I told you they don't care if we arbitrate. We as your lawyers say that it is the best that you do the binding mediation. We are deciding this based on facts and odds as to give you the best outcome. It appears to me that you are still looking for some justification or rationalization to carry on as if it will make it better. It won't. This will give you the best possible outcome."
- 42. On July 19, 2016 at 1:46 PM Plaintiff Dulberg sent a text message to Defendant W. Randall Baudin II stating "Randy, Yes arbitration is appealing because it saves a few thousand dollars and maybe a few years but I don't like the idea of being blindly boxed in on their terms alone without any assurances as to your fees, medical expenses or even what we spent out of pocket in costs to get here. I want some assurances/concessions on their part prior to walking in or it's no deal. Going in blind with no assurances, I can't help but to feel like a cow being herded thinking its dinner time but it's really slaughter time. They need to give somewhere prior to arbitration or it's a good indication as to how they will negotiate once we start. In other wards, if they
- won't concede anything prior to arbitration then they won't negotiate or concede anything once the arbitration starts and if that's the case, what's the point. We need something to show they are sincere in trying to resolve this. Up the lower limits from 50k to 150k, concede on the medical portion, out of pocket expenses, attorneys fees or how about just resolving their portion and leave their chainsaw wielding idiot open to defend himself in this lawsuit. Perhaps they can give on something I haven't thought of yet, Anything will do but giving on nothing prior to walking in there spells out what I'm going to get and if that's the case then I'll spend money and roll the dice. Convince me I'm not going being lead to slaughter and I'll agree To do it"
- 43. On July 19, 2016 at 4:28 PM Defendant W. Randall Baudin II sent a text message to Plaintiff Dulberg stating "So sorry your texts come in out of order. Binding mediation or no."
- 44. On July 20, 2016 at 11:44 AM Defendant W. Randall Baudin II sent a text message to Plaintiff Dulberg stating "All right, Kelly called and we have Cole show Sean in the next hour or so. Kelly had promised her we were calling yesterday, they have to know what's going on and make arrangements regarding additional counsel. Again, as your attorneys we are strongly urging you to participate in the binding mediation. It is your best opportunity for the greatest possible recovery and the guarantee that you would at least walk away with something if you got 0. Again, this gives us the most control of the situation."
- 45. On July 20, 2016 at 1:04 PM Defendant W. Randall Baudin II sent a text message to Plaintiff Dulberg stating "Yes binding mediation?"
- 46.On July 20, 2016 at 1:24 PM Plaintiff Dulberg sent a text message to Defendant Randall Baudin II stating "Randy, I truly appreciate yours and Kelly's honest advice and I hope I continue to receive it in the future. Please don't take this personal because it's not. I value everything you have to offer more than you know. I will be moving forward with litigation at this time. However, should Allstate consider a full settlement with no strings attached in the future so they can save the cost of litigation or a humiliating defeat I'm not opposed to entertaining it and most likely will accept it. This is too
- important to me and my family. I just cannot give up the protections of a public trial with the possibility of review should something be handled wrongly in the hopes of saving a few thousand dollars and time. Thank you both for your honest advice now let's move forward together and enjoy winning this case together."
- 47. On August 16, 2016 at 7:42 AM Plaintiff Dulberg sent a text message to Defendant W. Randall Baudin II stating "Randy, I have to ask again, why is it wise to agree to mediate before permanent disability is determined by social security since the permanent disability rating would be a large factor in determining what the insurance adjuster is willing to give? Both mom and myself need a real answer to this question"

48. On September 27, 2016, W. Randall Baudin II signed an affidavit "AFFIDAVIT OF W.RANDALL BAUDIN, II PURSUANT TO RULES 2014(a), 2016(b) and 5002 TO

EMPLOYEE BAUDIN LAW GROUP, LTD. AS SPECIAL COUNSEL FOR THE TRUSTEE".

#### Section 1 states:

"I am a member of the law firm of Boudin Law Group, Ltd. located at 304 South McHenry Avenue, Crystal Lake, IL 60014 and in that capacity I have personal

knowledge of, and authority to speak on behalf of the firm of Baudin Law Group, Ltd. with respect to the matters set forth herein. This Affidavit is offered in support of the Application of the Trustee for Authorization to Employ Baudin Law Group, Ltd. as special counsel for the Trustee. The matters set forth herein are true and correct to the best of my knowledge, information and belief.

## Section 5 of the affidavit states:

"To the best of my knowledge, information and belief, Baudin Law Group, Ltd. does not hold or represent a party that holds an interest adverse to the Trustee nor does it have any connection with the Debtor's creditors, or any party in interest or their respective attorneys and accountants with respect to the matters for which Baudin Law Group, Ltd. is to be employed, is disinterested as that term is used in 11 U.S.C. § 101(14) and has no connections with the United States Trustee or any person employed in the Trustee's office, except that said firm has represented the Debtor's pre-petition with respect to the

subject personal injury claim."

#### Section 6, part A states:

"My firm and I are obligated to keep the Trustee fully informed as to all aspects of this matter, as the Bankruptcy estate is my client until such time as the claim in question is abandoned by the Trustee, as shown by a written notice of such abandonment."

# Section 6, part D states:

"No settlements may be entered into or become binding without the approval of the Bankruptcy Court and the Trustee, after notice to the Trustee, creditors and parties of interest."

## Section 6, part E states:

"All issues as to attorneys fees, Debtor's exemptions, the distribution of any recovery between the Debtor and the Trustee or creditors, or any other issue which may come to be in dispute between the Debtor and the Trustee or creditors are subject to the jurisdiction of the Bankruptcy Court. Neither I nor any other attorney or associate of the Firm will undertake to advise or represent the Debtor as to any such matters or issues. Instead, the Firm will undertake to obtain the best possible result on the claim and will leave to others any advice or representation as to such issues."

## Section 6, part F states:

"The Firm is not authorized to grant any "physician's lien" upon, offer to protect payment of any claim for medical or other services out of, or otherwise pledge or encumber in any way any part of any recovery without separate Order of this Court, which may or may not be granted."

(Please see Exhibit 2 and exhibit 3 attached).

- 49. On October 4, 2016 bankruptcy trustee Olsen filed 2 motions with the bankruptcy court. (Please see Exhibit 4 and 5 attached)
- 50. On or about October 9, 2016 Plaintiff Paul R. Dulberg received a phone call from W. Randal Baudin II informing Dulberg that the binding mediation process will take place even though Dulberg does not approve of the process and refused to sign the arbitration agreement. W. Randal Baudin II informed Dulberg that the bankruptcy trustee and judge had the authority to order the process into a binding mediation agreement without Dulberg's consent.
- 51. On October 18, 2016 at 10:50 AM Plaintiff Dulberg sent a text message to Defendant W. Randall Baudin II stating "Hi Randy, since we haven't received the IME report in 10 days as the Dr stated we would, I'd like to move back the

date of the mediation thingy I'm being forced into so we have more than only a few weeks to deal with whatever the report may show. At least 2-3 months should do it considering the defense has already had the treating Dr's reports and depositions for months and years already. Let me know"

52. On October 31, 2016 Trustee Olsen appeared before the Honorable Thomas M. Lynch in the Northern District of Illinois, Western Division, US Bankruptcy Court and the following occurred:

MR. OLSEN: Good morning, Your Honor. Joseph Olsen, trustee. This comes before the Court on two motions. One is to authorize the engagement of special counsel to pursue a personal injury litigation, I think it's in Lake County, involving a chainsaw accident of some sort. And then, presumably, if the Court grants that, the second one is to authorize the estate to enter into -- I'm not sure what you call it, but binding mediation. But there's a floor of \$50,000, and there's a ceiling of \$300,000 And I guess I've talked with his attorney. He seems very enthusiastic about it. There may be some issues about the debtor being a good witness or not, I guess. It had to do with a neighbor who asked him to help him out with a chainsaw, and then I guess the

neighbor kind of cut off his arm, or almost cut off his arm right after that. There's some bitterness involved, understandably, I guess. But I don't do personal injury work at all, so I'm not sure how that all flows through to a jury, but he didn't seem to want to go through a jury process. He liked this process, so...

THE COURT: Very well. Mr. Olsen, first of all, with regard to the application to employ the Baudin law firm, it certainly appears to be in order and supported by affidavit. Their proposed fees are more consistent with at least what generally is the market than some of the fees you and I have seen in some other matters. One question for you: Have you seen the actual engagement agreement?

MR. OLSEN: I thought it was attached to my motion.

THE COURT: Okay.

MR. OLSEN: If it's not, it should have been. It's kind of an interesting -- actually, this is kind of a unique one. The debtor actually paid them money in advance, and then he's going to get a credit if they actually win, which I guess enures, now, to my benefit, but that's okay. And there's a proviso for one-third, except if we go to trial, then it's 40 percent. So these are getting more creative by the PI bar as we plod along here, I guess, but...

THE COURT: It's a bar that's generally pretty creative. And my apologies. I saw the affidavit, but you did have the agreement attached, and one was in front of the other. And the agreement is just as you describe it. It appears to be reasonable, and so I'll approve the application. Tell me about this binding mediation. It's almost an oxymoron, isn't it?

MR. OLSEN: Well, I guess the mediators don't know there's a floor and a ceiling. I'm not sure where that comes from, but that's -- yeah. And whatever number they come back at is the number we're able to settle at, except if it's a not guilty or a zero recovery, we get 50,000, but to come back at 3 million, we're capped at 300,000.

THE COURT: Interesting.

MR. OLSEN: A copy of the mediation agreement should also be attached to that motion.

THE COURT: And I do see that. That appears to be in order. It's one of those you wish them luck

MR. OLSEN: I don't want to micromanage his case.

THE COURT: But that, too, sounds reasonable. There's been no objection?

MR. OLSEN: Correct.

THE COURT: Very well. I will approve -- authorize, if you will, for you to enter into the binding mediation agreement, see where it takes you.

- MR. OLSEN: Thanks, Your Honor." (Please see Group Exhibit 6A and B attached)
- 53. On October 31, 2016 both orders were issued by bankruptcy judge. (Please see Exhibit 7 and Exhibit 8 attached)
- 54. On October 31, 2016 at 10:41AM trustee Olsen sent an email to Randall Baudin II stating: "Randy- The Court authorized your appointment this morning, as well as entry into that "Binding Mediation Agreement"; Do you want the debtor to /s/ the form, or me as trustee? Let me know, thanks." (Please see Exhibit 9 p2 attached)
- 55. On October 31, 2016 at 10:50AM Randall Baudin II sent an email to Trustee Olsen stating: "You can good ahead sign it." (Please see Exhibit 9 P3 attached)
- 56. On or about November15, 2016 W. Randal Baudin II told Dulberg that even though he does not want the binding mediation to take place, he should attend the hearing anyway because the judge will look down on a person that doesn't attend as if they are uninterested in their own case.
- 57. On December 8, 2016, Dulberg attended the binding mediation with his mother, Barbara Dulberg, even though he did not agree to the process, did not want it to happen, and refused to sign any agreement or consent to the process.
- 58. Dulberg believed at the time that the bankruptcy judge was the person who ordered the case into binding mediation at the request of the Trustee and Dulberg believed the bankruptcy judge had the legal authority to make that decision without anyone else's consent. Dulberg believed this because W. Randall Baudin II told him it was true.
- 59. Towards the end of the Binding Mediation, the Mediator was informing Dulberg that he was finding in Dulberg's favor but wasn't going to make the award so high that a neighborhood war would break out and Dulberg would have to wait to find out the award amount.
- 60. At that point some yelling started outside the room, to Dulberg and Barbara Dulberg it sounded like Kelly Baudin and Shoshan Reddington, Esq. (Allstate Defense Attorney).
- 61. Dulberg continued to talk with the Mediator and W. Randall Baudin II quickly excused himself to deal with the yelling.
- 62. Upon return, W. Randall Baudin II told Barbara Dulberg that Shoshan was angry because she was informed they had a deal with prior counsel and the case would be settled for \$50,000.
- 63. When W. Randall Baudin II sat down, Dulberg moved Dr. Bobby L. Lanford's report in front of W. Randall Baudin II and pointed to the statement "... the McGuires â€" were also somewhat responsible ...". Dulberg asked, Is that true? W. Randall Baudin II looked and replied, That's what it says. Dulberg replied, Mast \*\*\*\*\*\*\* lied.
- 64. On December 12, 2016 The ADR Mediator The Honorable James P. Etchingham, (Ret) issued a Binding Mediation Gross Award of \$660,000.00. (Please see Exhibit 10 attached)
- 65. On December 12, 2016 W. Randall Baudin II called Dulberg to inform Dulberg of the award.
- 66. W. Randall Baudin II spoke of the \$561,000 net award informing Dulberg that both he and Kelly thought they did good and unfortunately the cap of \$300,000 was in place but we think we did good.
- 67. Dulberg replied, Yeah you two did good, real good and I thank both of you sincerely. I just can't help it, what I see here is a gift of \$261,000 given to those responsible for my injuries.
- 68. Dulberg was informed that the trustee would receive the \$300,000 award, but the money would not be issued unless Dulberg signed a document, which Dulberg signed in order to have the money issued to the bankruptcy trustee to pay his creditors