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Location: <<CourtRoomNumber>>
Judge: Calendar, 11

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Exhibit 1

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June 9, 2022
VIA E-MAIL

The Honorable Pamela M. Meyerson
Daley Center
50 West Washington Street, Room 2305
Chicago, Illinois 60602

Dear Judge Meyerson:

We write to address the serious but baseless allegations of attorney misconduct Ms. Stevens raised in her filing yesterday and at yesterday afternoon's hearing. Ms. Stevens's attempt to escalate this confidentiality dispute into an ethical matter compels us to clarify the record now rather than wait for further motion practice.

At a hearing on November 29, 2021, the Court declared that Exhibits A and B to the Declaration of Glenn A. Giese in support of the Agreed Motion for an Order Authorizing and Approving the Member Transfer Agreement Transaction would remain under seal. The order entered that date confirms that the Court also accepted NextLevel's proposed redactions to Paragraphs 13 and 14 of the Verified Complaint for Conservation of Assets and Injunctive Relief (the "Complaint") and proposed redaction to Paragraph A(iii) on Page Two of the Order of Conservation of Assets and Injunctive Relief (the "Conservation Order"). The Court determined that NextLevel should file redacted versions of those documents with NextLevel's proposed redactions, that the original versions of the documents would be kept under seal, and that redacted versions would replace them on the public record.

On December 1, 2021, we sent to the Court an email pursuant to the Court's instructions at the November 29, 2021 hearing, attaching a proposed order for entry along with copies of the Complaint and Conservation Order containing NextLevel's proposed redactions (see the attached). Given that unredacted versions of both documents were already on file and that we had provided the Court redacted versions, our understanding (confirmed by the Special Deputy's counsel Daniel Guberman, see below) was that we were in compliance with the Court's November 29, 2021 order as of December 1, 2021. The Court will recall confirming to counsel for the Special Deputy, the Illinois Department of Insurance, and Next Level that she had already communicated with the Clerk about the matter.

On May 3, 2022, Ms. Stevens emailed us asking whether NextLevel filed the redacted versions, stating that she only saw the redacted versions as exhibits to NextLevel's motion and not as separate filings. Mr. Guberman replied recalling that the Court's order required that the unredacted copies be replaced, not that new filings be made, and that the Court was provided redacted copies to effectuate the replacement. We responded confirming that we had the same understanding. Ms. Stevens then replied, disagreeing with that understanding and threatening to file "a supplemental motion." We responded that it would not be necessary for her to take that step because we would simply refile the documents to avoid any doubt about the extent of our obligations under the Court's November 29, 2021 order. Ms. Stevens felt that



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these circumstances warranted filing a motion yesterday under Illinois Supreme Court Rule 137 – a few hours before the hearing on the merits of her intervention – accusing our firm of knowing misrepresentations and making unprofessional and unwarranted *ad hominem* attacks against individual attorneys, including in the Office of the Special Deputy Receiver, the Office of the Illinois Attorney General, and outside general counsel for NextLevel.

Rule 137 is reserved for “the most egregious of cases.” *U.S. Bank Tr., N.A. v. Burnett*, 2021 IL App (1st) 210135, ¶ 54 (reversing sanctions order). This is not one of them. There is absolutely no basis for Ms. Stevens’s incendiary accusation that DLA Piper concealed or withheld any information. Ms. Stevens says she intervened in this case to gain access to court records for her work. As her May 3, 2022 email concedes, she already had access to the redacted documents at issue in her sanctions motion—she simply noticed that they were attached as exhibits to a another filing and not filed separately on the docket. Though we disagreed with Ms. Stevens’s interpretation of our obligations, we “refiled” the documents after she raised the issue with us to address her concerns and avoid burdening the Court with additional motion practice. Ms. Stevens insisted on engaging in further motion practice anyway.

This disagreement should have been resolved informally without the Court’s involvement. Ms. Stevens’ personal attacks and continued attempts to raise the stakes in this case are entirely inappropriate. A motion under Rule 137 is a “serious matter.” *In re Marriage of Lyman*, 2015 IL App (1st) 132832, ¶ 92. Rule 137 “does not authorize sanctions for misunderstandings.” *Lewy v. Koeckritz Int’l, Inc.*, 211 Ill. App. 3d 330, 335 (1st Dist. 1991). Ms. Stevens should not be allowed to treat this litigation like a game, nor should she be allowed to threaten DLA Piper with serious professional consequences based on such a trivial disagreement without any showing of malintent. Though we are happy to fully brief this matter if the Court deems it appropriate, we respectfully request that the Court deny Ms. Stevens’s motion for sanctions at the presentment hearing on Monday June 13 without protracting the matter further.

Respectfully,

DLA PIPER LLP (US)

A handwritten signature in blue ink that reads 'Stephen W. Schwab'.

Stephen W. Schwab

cc: Jackie Stevens
Daniel Guberman
Maggie Jones
Alex Moe
David Mendelsohn
Matt Freilich
Sean Auton