

NOTICE

This Order was filed under Supreme Court Rule 23 and is not precedent except in the limited circumstances allowed under Rule 23(e)(1).

2024 IL App (4th) 240376-U

NO. 4-24-0376

IN THE APPELLATE COURT

OF ILLINOIS

FOURTH DISTRICT

FILED

November 4, 2024

Carla Bender

4th District Appellate
Court, IL

DISCOVER BANK,)	Appeal from the
Plaintiff-Appellee,)	Circuit Court of
v.)	Peoria County
JESAKIA ARTIS,)	No. 23SC717
Defendant-Appellant.)	
)	Honorable
)	Frank W. Ierulli,
)	Judge Presiding.

JUSTICE STEIGMANN delivered the judgment of the court.

Justices Zenoff and Vancil concurred in the judgment.

ORDER

¶ 1 *Held:* The appellate court affirmed the trial court's judgment.

¶ 2 In May 2023, plaintiff, Discover Bank (Discover), filed a complaint in Peoria County alleging that defendant, Jesakia Artis, had defaulted on her Discover credit card account by failing to make the minimum required payments on the line of credit and owed Discover \$6902.23. In January 2024, Artis filed a motion to dismiss Discover's complaint, arguing that the State of Delaware had sole jurisdiction over the case based on Discover's corporate bylaws. The trial court denied the motion, finding that Illinois had jurisdiction over the claim. Following a bench trial, the court entered judgment in favor of Discover.

¶ 3 Artis appeals, arguing that the trial court lacked jurisdiction over the claim. We disagree and affirm.

¶ 4 I. BACKGROUND

¶ 5 In May 2023, Discover filed a complaint in the circuit court of Peoria County, alleging that Artis, a resident of Peoria, Illinois, (1) applied for a credit card account with Discover, “a FDIC Insured Delaware State Bank doing business in the State of Illinois”; (2) made purchases and cash advances on the account; and then (3) defaulted on the account by failing to make the minimum payment when due. The complaint further alleged that (1) Discover had “exercised its right to accelerate the time for payment of the entire balance due and owing by [Artis] to [Discover]” and (2) “[a]fter [Discover’s] receiving all payments, debits, credits and set offs,” Artis owed \$6902.23, which Artis had failed to pay. As a result, Discover asked the trial court to enter judgment in its favor for \$6902.23 plus 5% interest from the date of the judgment.

¶ 6 Later in May 2023, an affidavit of service was filed showing that Artis was personally served with a copy of the summons and complaint at her Peoria residence.

¶ 7 In June 2023, Artis *pro se* filed a letter to the trial court with the subject line “Re: Response to Case No. 2023-SC-0000717,” stating that she was “not in dispute with [Discover] at this time.” Artis wrote that she had informed Discover that she agreed to pay any financial obligation that she owed “on the condition that they provide adequate validation of the alleged debt, verification of their claim, and a copy of the binding contract.” She asserted that she was “still awaiting said documents.”

¶ 8 In July, September, and November 2023, Artis personally appeared in the trial court for multiple status hearings. In November 2023, the court entered an order setting the case for a bench trial in January 2024.

¶ 9 In January 2024, Artis *pro se* filed a motion to dismiss the complaint, alleging that “[p]er Discover Bank’s Amended and Restated Bylaws,” the State of Delaware “shall be the sole and exclusive forum for *** any derivative action or proceeding brought on behalf of

[Discover].” Accordingly, Artis alleged, the case should be dismissed “due to improper venue” because “[t]he State of Delaware has sole jurisdiction.”

¶ 10 Later in January 2024, the parties convened for a bench trial on Discover’s complaint. Before proceeding with the bench trial, the trial court addressed Artis’s motion to dismiss. Artis waived argument and the court denied her motion, stating as follows:

“Ms. Artis, I have carefully reviewed your motion, and the [trial] courts of Illinois have jurisdiction over questions of indebtedness that have occurred in the State of Illinois, so you’re a resident here.

Discover has the authority under corporate law to give credit in the State of Illinois, so I’m going to respectfully deny your motion.”

¶ 11 Artis then asked the trial court to further clarify “on what grounds that you’re dismissing the motion specifically.” The court replied as follows:

“I am not dismissing the motion. I’m denying the motion. Your motion to dismiss is based that on the general premise that Discover does not have jurisdiction to enforce their claim.

They certainly do have jurisdiction to enforce their claim in the state of Illinois. You’re a resident of the State of Illinois. They’re a corporate entity doing business in the State of Illinois.

So, the courts of Illinois are authorized to hear this dispute.”

¶ 12 Following the trial court’s denial of Artis’s motion, the case proceeded to a bench trial. A custodian of records for Discover testified that in June 2013, Artis used the Internet to open a consumer revolving credit account through Discover. Discover verified Artis’s Social Security number and address in Peoria, then sent Artis a credit card and cardmember agreement.

¶ 13 The cardmember agreement addressed the terms and services of the account, including minimum monthly payments and default. Discover advanced funds on behalf of Artis to pay for goods and services or cash advances. Discover sent monthly statements to Artis from November 2015 through November 2022, which identified all transactions on the account. The last purchase Artis made using the account occurred in April 2022. The last payment she made to Discover on the account occurred in May 2022. After that payment, a balance of \$6902.23 remained on the account.

¶ 14 Artis did not present any evidence. Ultimately, the trial court entered judgment in favor of Discover, ordering Artis to pay the balance of \$6902.23 plus costs of \$334.12.

¶ 15 This appeal followed.

¶ 16 II. ANALYSIS

¶ 17 Artis appeals, arguing that the trial court erred by denying her motion to dismiss because under Discover's own bylaws, jurisdiction and venue properly laid in Delaware, not Illinois. Artis also argues for the first time that Discover never proved that she was a legal entity. We affirm.

¶ 18 A. The Standard of Review and Applicable Law

¶ 19 1. *The Standard of Review*

¶ 20 This court reviews *de novo* a trial court's grant or denial of a motion to dismiss. *K.D. ex rel. Nichelle D. v. Villa Grove Community Unit School District. No. 302 Board of Education*, 403 Ill. App. 3d 1062, 1070, 936 N.E.2d 690, 697 (2010). Under *de novo* review, this court applies the law and decides the issues anew, without deference to the lower court. *Shulte v. Flowers*, 2013 IL App (4th) 120132, ¶ 17, 983 N.E.2d 1124.

¶ 21 2. *Jurisdiction and Venue*

¶ 22 “To enter a valid judgment, a court must have both jurisdiction over the subject matter and jurisdiction over the parties.” *BAC Home Loans Servicing, LP v. Mitchell*, 2014 IL 116311, ¶ 17, 6 N.E.3d 162. Regarding subject matter jurisdiction, Illinois circuit courts are courts of general jurisdiction, having original subject matter jurisdiction over all justiciable matters with a few limited exceptions, which do not apply here. Ill. Const. 1970, art. VI, § 9. Regarding personal jurisdiction, section 2-209(b) of the Code of Civil Procedure (Code) (735 ILCS 5/2-209(b) (West 2022)) permits a trial court to exercise personal jurisdiction in any action over any person who is a natural person domiciled or resident within Illinois when the cause of action arose, the action was commenced, or process was served.

¶ 23 For venue to be properly situated, a lawsuit must be filed pursuant to the requirements of section 2-101 of the Code (*id.* § 2-101), which provides as follows:

“[E]very action must be commenced (1) in the county of residence of any defendant who is joined in good faith and with probable cause for the purpose of obtaining a judgment against him or her and not solely for the purpose of fixing venue in that county, or (2) in the county in which the transaction or some part thereof occurred out of which the cause of action arose.”

¶ 24 The intent of the legislature in enacting the Illinois venue statute was to protect defendants from being sued in places far from where they reside and make it convenient to litigate the action. *Williams v. Illinois State Scholarship Comm’n*, 139 Ill. 2d 24, 52, 563 N.E.2d 465, 477-78 (1990). A defendant waives any objection to venue unless a motion to transfer is filed on or before the date that the defendant is required to appear, or within any additional time that the trial court grants the defendant to answer the complaint. 735 ILCS 5/2-104(b) (West 2022).

¶ 25

B. This Case

¶ 26

In the present case, Artis argues that (1) Discover’s corporate bylaws deprived Illinois courts of jurisdiction to hear its claim, (2) venue was improper and Illinois courts do not have jurisdiction over Discover’s claim, and (3) she was not a legal entity. We disagree.

¶ 27

First, “[c]orporate bylaws constitute an enforceable contract between the *corporation and its shareholders*, and both officers and shareholders are bound by the bylaws.” (Emphasis added.) *Fritzche v. LaPlante*, 399 Ill. App. 3d 507, 523, 927 N.E.2d 218, 232 (2010). (1) Artis is none of those parties; (2) she points to nothing in the terms and conditions of her agreement with Discover or the bylaws that would entitle her to enforce the exclusive jurisdiction provision in section 6.08 of the bylaws, which pertains to derivative actions brought by shareholders against Discover; and (3) we can find no law that entitles Artis to relief based on those bylaws. This case is not a derivative action brought by shareholders of Discover. Accordingly, section 6.08 does not apply to this case.

¶ 28

Next, (1) the trial court had general jurisdiction over the claim and personal jurisdiction over Artis and (2) venue was proper in Peoria County. As a court of general jurisdiction, the trial court has subject matter jurisdiction to hear this contract dispute over consumer credit card debt incurred by an Illinois resident. See *LVNV Funding, LLC v. Trice*, 2015 IL 116129, ¶ 40, 32 N.E.3d 553 (“[T]he [trial] court possessed jurisdiction over both the parties and the subject matter when [the collector] filed its debt collection lawsuit.”). Regarding personal jurisdiction over Artis, the record shows that in 2023, she was personally served with the complaint at her residence in Peoria County, Illinois. Accordingly, the court had personal jurisdiction over Artis. See 735 ILCS 5/2-209(b) (West 2022). Regarding venue, Artis waived her objections to venue by personally appearing in the trial court and failing to file a motion to

transfer venue. See *id.* § 2-104(b) (providing that a defendant waives any objection to venue unless a motion to transfer is filed on or before the date that the defendant is required to appear).

¶ 29 As a final matter, Artis claims that she could not be sued by Discover because she is not a legal entity. We reject this meritless argument. Artis forfeited this argument by failing to (1) raise it in the trial court or (2) cite any authority to support her bare assertion. See *In re Marriage of Kaspryzk*, 2019 IL App (4th) 170838, ¶ 40, 128 N.E.3d 1105 (“Issues not raised in the trial court are forfeited and may not be raised on appeal.”); *Hollenbeck v. City of Tuscola*, 2017 IL App (4th) 160266, ¶ 27, 72 N.E.3d 880 (“Bare contentions in the absence of argument or citation of authority do not merit consideration on appeal.”). As explained above, Artis was a natural person residing in Illinois at all relevant times and personally appeared in court to defend herself against Discover’s claim. She cannot deny her own legal existence.

¶ 30 III. CONCLUSION

¶ 31 For the reasons stated, we affirm the trial court’s judgment.

¶ 32 Affirmed.