

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, LAW DIVISION

v.

No.

CIVIL ACTION COVER SHEET - CASE INITIATION

A Civil Action Cover Sheet - Case Initiation shall be filed with the complaint in all civil actions. The information contained herein is for administrative purposes only and cannot be introduced into evidence. Please check the box in front of the appropriate case type which best characterizes your action. Only one (1) case type may be checked with this cover sheet.

Jury Demand [] Yes [] No

PERSONAL INJURY/WRONGFUL DEATH

CASE TYPES:

- [] 027 Motor Vehicle
[] 040 Medical Malpractice
[] 047 Asbestos
[] 048 Dram Shop
[] 049 Product Liability
[] 051 Construction Injuries (including Structural Work Act, Road Construction Injuries Act and negligence)
[] 052 Railroad/FELA
[] 053 Pediatric Lead Exposure
[] 061 Other Personal Injury/Wrongful Death
[] 063 Intentional Tort
[] 064 Miscellaneous Statutory Action (Please Specify Below**)
[] 065 Premises Liability
[] 078 Fen-phen/Redux Litigation
[] 199 Silicone Implant

TAX & MISCELLANEOUS REMEDIES

CASE TYPES:

- [] 007 Confessions of Judgment
[] 008 Replevin
[] 009 Tax
[] 015 Condemnation
[] 017 Detinue
[] 029 Unemployment Compensation
[] 031 Foreign Transcript
[] 036 Administrative Review Action
[] 085 Petition to Register Foreign Judgment
[] 099 All Other Extraordinary Remedies

By: _____ (Attorney) (Pro Se)

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COMMERCIAL LITIGATION

CASE TYPES:

- [] 002 Breach of Contract
[] 070 Professional Malpractice (other than legal or medical)
[] 071 Fraud (other than legal or medical)
[] 072 Consumer Fraud
[] 073 Breach of Warranty
[] 074 Statutory Action (Please specify below.**)

OTHER ACTIONS

CASE TYPES:

- [] 062 Property Damage
[] 066 Legal Malpractice
[] 077 Libel/Slander
[] 079 Petition for Qualified Orders
[] 084 Petition to Issue Subpoena
[] 100 Petition for Discovery

** _____

Primary Email: _____

Secondary Email: _____

Tertiary Email: _____

Pro Se Only: [] I have read and agree to the terms of the Clerk's Office Electronic Notice Policy and choose to opt in to electronic notice from the Clerk's Office for this case at this email address: _____

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT – LAW DIVISION**

CYNTHIA CHANCE,

Plaintiff,

v.

APPRAISAL INSTITUTE,

and

CRAIG STEINLEY,

Defendants.

Case No. _____

JURY TRIAL DEMANDED

**CIVIL COMPLAINT FOR EQUITABLE AND MONETARY RELIEF
AND DEMAND FOR JURY TRIAL**

Plaintiff Cynthia Chance, by and through counsel, files this civil complaint and jury demand against Defendants Appraisal Institute (“AI”) and Craig Steinley (“Steinley”), for violations of the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.*, the Illinois Whistleblower Act, 740 ILCS 174/1 *et seq.*, defamation *per se*, negligent hiring, negligent retention, and negligent supervision.

JURISDICTION AND VENUE

1. This Court has personal jurisdiction over Defendants because they conduct regular business in Illinois, and they maintain regular and systematic contacts with Illinois.
2. This Court has subject matter jurisdiction over the claims in the Complaint brought under the laws of Illinois pursuant to the Illinois Human Rights Act; the Illinois Whistleblower Act; Illinois common law of defamation *per se*; and Illinois tort law of negligent hiring, negligent retention, and negligent supervision.

3. Venue is appropriate in Cook County pursuant to 735 ILCS 5/2-101 because the transactions out of which this action arose occurred in Cook County.

PARTIES

4. Plaintiff is a former employee of AI and resides in the District of Columbia.

5. Defendant AI is a domestic Illinois non-profit corporation and has its principal place of business at 200 West Madison 2000, Chicago, Illinois 60606.

6. Defendant Steinley is a resident of Rapid City, South Dakota, and works for Defendant AI.

ADMINISTRATIVE EXHAUSTION

7. On March 13, 2025, Chance timely filed her charges of sexual harassment and retaliation with the Illinois Department of Human Rights.

8. On March 28, 2025, Chance filed a request to opt out of the Illinois Department of Human Rights's investigation and administrative processing of her complaint.

9. On April 4, 2025, the Illinois Department of Human Rights issued the Notice of Opt Out of the Investigation and Administrative Process, and the Right of Complainant to Commence an Action in the Circuit Court, authorizing Chance to commence action within 90 days of receipt. Chance timely filed this complaint within 90 days of his receipt of the IDHR Letter. Accordingly, Chance has exhausted her administrative remedies.

FACTUAL ALLEGATIONS

10. In or around August of 2023, the consulting and recruiting firm Korn Ferry concluded an exhaustive national search for AI resulting in the unanimous selection of Chance, by the Board, to be the next Chief Executive Officer of the Appraisal Institute, a 501(c)(6) association of real estate appraisers.

11. AI's Board of Directors gave Chance a clear mandate to evaluate the state of the organization and make changes needed to improve the efficiency of operations and to help the organization meet its education, membership, and financial goals.

12. On or around September 5, 2023, Chance started her role as Chief Executive Officer ("CEO") of AI and in or about November 2023, Chance relocated to Chicago for the position.

13. AI's Board includes an Executive Committee consisting of the CEO and member Officers selected by the Board through a nominating process: President, Immediate Past President, Incoming President, and Vice President. These roles are compensated. The Board President is effectively the supervisor of AI's CEO.

14. President Steinley, a paid Executive Officer, and the supervisor of the CEO, began systematically undermining Chance through a pattern of sexual harassment shortly after she began working for AI.

15. Chance noticed immediately upon joining AI that the staff organization was functioning poorly and required reorganization and wholesale cultural change. Employees reported bullying by other staff, an inability to do or in some cases even understand their jobs, and a culture of hostility between the National organization and Chapters, among other things.

16. Chance laid off four senior employees on September 27, 2023 to increase the efficiency of the organization. These four individuals were AI's Chief Financial Officer Beata Swacha, its Director of Marketing Erin Tobin, its head of communications Brent Richards, and its head of education, Sue Sirades. At the time, Chance learned that Steinley had been counseled due to inappropriate behavior.

17. In or around November of 2023, Chance learned of a complaint by a former

employee related to sexual harassment.

18. In or around January of 2024 Chance learned of a publicly-filed sexual harassment lawsuit filed against AI and Steinley.

19. In or around October 2023, Sandra (“Sandy”) Adomatis, incoming 2024 President of the Board, and Paula Konikoff, Vice President of the Board, told Chance that they both had witnessed Steinley’s disparagement and disdain for women on many occasions over many years. Adomatis reported that Steinley had told her directly that he did not trust women and was not capable of working with her or any woman. Konikoff reported that Steinley had worked for her and was fundamentally demeaning to women, dishonest, and manipulative.

20. In or around October 2023, Immediate Past President Jody Bishop and Sandy Adomatis told Chance that Steinley was falsely claiming to have a relationship with Chance, stating “he’s telling everyone that you are his girlfriend” and that “everyone was talking about it” or words to that effect.

21. In or around November 2023, Steinley exhibited increasingly manipulative behavior toward Chance, demeaned Chance, suggested that he had singlehandedly driven change and she needed to do as he said because without his support, the Board would turn on her and she would be fired. Steinley suggested to others that he was in a relationship with Chance, arranged for him and Chance to travel together for business, invited her to personal events, made inappropriate comments to Chance, told Chance to smile, and commented that Chance’s slacks “show off [her] fit body.”

22. On numerous occasions, Steinley sent Chance text messages and called her in which he tried to initiate a personal relationship with her, despite Chance repeatedly rejecting his advances and telling Steinley that their relationship was strictly professional.

23. In or around November 2023, Chance heard Steinley say to Mike Mignona, incoming Vice President, that they were going to “bitch slap her now” referring to Adomatis.

24. On or around November 10, 2023, an AI Board member, Paula Konikoff, told Chance that she had been the subject of sexual harassment and that the way AI had handled it had further demeaned her.

25. In or around December of 2023, Steinley commented to Chance that both Adomatis and Konikoff wanted to sleep with him but could not and this is why they were not more pleasant to him.

26. Beginning in or around January 2024, Chance reported to AI’s General Counsel Jeff Liskar that Steinley was acting inappropriately with her, including showing up to events that she did not expect him to be at and talking about her as if she was his girlfriend. When Chance reported the foregoing to Liskar, Liskar shook his head and declared, “it’s terrible, it’s terrible,” referring to Steinley’s mistreatment of Chance.

27. Steinley continued to arrange for him and Chance to travel together for business in the following months, arranged for him and Chance to sit next to each other at events, stood inappropriately close to Chance, commented on Chance’s body, and publicly called Chance his “boss” as one would refer to their wife or partner.

28. About this time, Adomatis explained to Chance that everyone was afraid of Steinley because he had “a well-deserved reputation for retaliation.”

29. In or around December 2023, Adomatis read a lengthy statement to the Board in which she complained about the sexism apparent in Steinley’s demeaning treatment of her related to member leadership assignments stating that Steinley blatantly violated behavioral standards of leadership in the course of her repeated attempts for a conversation --circumventing

her authority through sexist manipulation and disparagement.

30. In or around December 2023, Chance heard Mike Mignona and Steinley referring to Adomatis as “Sandy I’m a dumbass.”

31. In January 2024, Steinley became Immediate Past President, making him responsible for Chance’s performance evaluation and compensation decisions in her role as CEO.

32. In or around January 2024, at an AI Officers’ retreat, the Officers jointly agreed—at Chance’s urging—to implement appraiser-centric messaging and more messaging defending the appraiser profession to fulfill their mission and support growth. Adomatis repeatedly expressed support for Chance’s leadership in this regard and AI’s Board and membership applauded the direction privately and publicly.

33. Following many candid conversations about the culture of harassment and governance dysfunction, Adomatis encouraged Chance and supported training for the Board, provided in February 2024, given the urgent need for governance reform to prevent ongoing harassment, abuse, and lack of fiduciary care on the part of Board members. This was very negatively received by Steinley who admonished Chance for arranging for such a training.

34. During the February 2024 Board meeting, Chance reported to the Board serious governance concerns based on that Board members were not acting based on their fiduciary duty but were acting instead based on tribal allegiances, regional loyalties, and prior agreements.

35. Also, during this Board meeting, Chance reported to the Board that leaders were misusing complex governance rules (bylaws and “rules and regulations”) as well as “executive sessions,” preventing open discussion of important issues and depriving members of information and transparency into the activities of the leadership of the organization.

36. Steinley continued to regularly tell Chance to “smile” in meetings, “you’re so much more convincing when you look pretty,” commented on her appearance routinely and now, including in front of staff and members.

37. In or around February 2024, Adomatis wrote to Chance in response to Steinley’s decision to campaign for vice president of the Board for another four years leading the organization as a compensated Officer that “I can’t believe the women that are campaigning for [Steinley] already. If only they knew,” referring to Steinley and apparently referring to Steinley’s misconduct with women.

38. On or around February 12, 2024, Chance reported to Adomatis and Liskar in an email that the same month she started at AI, Steinley and Board members regularly referred to her as Steinley’s “girlfriend,” contributing to undermining her authority and perpetuating a hostile environment for women.

39. Steinley continued to try to get Chance to accompany him on travel and referred to her in emails as his “favorite person” etc.

40. On or around February 13, 2024, Adomatis texted Chance pictures of Steinley’s campaign materials that he sent to members in his bid for vice president of the Board. Adomatis was unsupportive of his campaign based on her concerns about his harassment.

41. In or around February 2024, Adomatis arranged a meeting with former president Rodman Schley. Schley reported to Chance that it was widely known that Steinley harassed staff. Among other things, Schley told Chance that former AI Chief Executive Officer Jim Amorin resigned when Steinley became President of the Board because he knew “he would not be able to protect his staff from Steinley.”

42. Steinley’s “campaign” included demeaning remarks about Chance and outright

lies about the state of AI's educational offerings and initiatives. AI advised Chance not to intervene or remark about Steinley's false statements regarding education as it was forbidden for the CEO to do anything that could impact the election of Officers, and she could be fired for sharing her views with the National Nominating Committee or Board members since this was "a member level" decision.

43. In or around March and April 2024, a sexual harassment training was provided to all Board members and to all staff.

44. Following the resolution of a sexual harassment case against AI in or around April 2024, Chance was required to address, at the direction of the Officers and the Board, a confidential matter related to a former senior staff member. Steinley's demeanor toward Chance changed, and Steinley's communications ranged from frequent manipulative communications to not speaking to Chance, which ramped up during this time, as he worked to undermine her efforts as AI's CEO.

45. President Sandy Adomatis reported to Chance at this time that Steinley had now begun telling people that Chance would be "a short-timer," signaling to Adomatis his efforts to undermine Chance.

46. In or about May 2024, Chance reported to the Board that AI was providing inaccurate state certification information due to haphazard organizational practices. Chance reported that these deficiencies required urgent correction as they were creating ongoing problems for professional certifications.

47. In or about May 2024, Chance reported to the Board that AI had been intentionally overstating membership numbers to shield itself from membership challenges regarding its management.

48. In or about May 2024, Chance reported to the Board that the President and other Officers were ensuring lucrative teaching opportunities for their friends and themselves. Chance reported that this practice had caused a notable decline in both the quality and diversity of AI's educational offerings and compromised the integrity of what constituted excellence in education.

49. In or about May 2024, Chance reported concerns to the Board that AI's instructor "approval" process was effectively discriminatory against women and other minority candidates by disproportionately rejecting women and other minority candidates from becoming instructors, who were otherwise well qualified or preventing qualified people from gaining teaching assignments. A member of the Education Committee put together a report showing this impact that was shared with Liskar, Steinley, and the Chair of the Education Committee at the time.

50. In or about May 2024, and following the hiring of a new Director of Education and Publications, Chance reported to the Officers and the Board serious issues concerning its education and testing, including an incident where education staff admitted to haphazardly adding examination questions resulting in significant issues with incorrect answers.

51. On or around May 15, 2024, Steinley succeeded in his aim to be nominated again to be Vice President of the Board, by the "National Nominating Committee," which Chance learned from Board members was a committee selected based on systems of fealty and political allegiances as with other leadership positions at AI.

52. Chance and the entire Board were informed by internal counsel that it was forbidden to discuss Steinley's successful nomination with members following the May recommendation of the National Nominating Committee, and until after the vote of the Board in August.

53. During the May 2024 Board meeting, it was reported to the Board that a

confidential matter related to a former employee alleging sexual harassment had been resolved as per their direction.

54. On or around May 15, 2024, Chance reported to AI's Board that there were instances of sexual harassment within the organization, leaving the organization vulnerable to risk. While having had individual conversations with Board members about Steinley, Chance was reluctant to name Steinley as the perpetrator by name in her report since it was clear that Steinley's behavior was being discussed, and Steinley was sitting right next to her during the meeting, scowling at Chance, ignoring Chance, and intimidating Chance. Chance did continue to speak with people individually about Steinley's abuse following these remarks.

55. In response to, and during Chance's remarks to the Board, Steinley threatened Chance.

56. Shortly after the Board meeting, and following Steinley's intimidating email, and just before a live and recorded Q and A with members, Steinley groped Chance's rear while he and Chance were walking alone down a hallway at AI's office. Prior to groping Chance, Steinley said, "what if I grabbed your butt." He then groped Chance without her consent.

57. After Steinley groped Chance, he again tried to arrange travel for him and Chance. However, Chance refused to travel again with Steinley.

58. In or around May/June of 2024, President Sandy Adomatis spoke with every Board member and reported formally to Chance to provide a review of how the Board meetings went and that they appreciated her work and the information provided at the May 2024 Board meeting. "The only critical remark" was that a few Board members reported that there was too much information provided.

59. Through May of 2024 and into the summer, President Sandy Adomatis made

numerous highly supportive public comments about Chance's leadership.

60. In or around June of 2024, Chance wrote three appraiser-centric messages reflecting member concerns with Appraisal Management Companies business practices, which drew strong comments from Adomatis and Steinley to the effect that Chance should stop talking about Appraisal Management Companies s. Steinley wrote that Chance's writing had caused the Real Estate Valuation Advocacy Association "REVAA", the advocacy organization for Appraisal Management Companies, to rescind their endorsement of his nomination for Vice President.

61. Steinley insisted, and the Officers agreed, to force Chance to attend a meeting with the AMC lobbying organization, REVAA, senior executives of AMCs, and all AI executive Officers, in August 2024, just before the AI Board meeting, to "educate her properly" on the AMC business model. Those AMC senior executives were later among those saying Chance would imminently be fired.

62. In or around June of 2024, Chance began scheduling meetings with each of the Board members to review the health of the organization.

63. Chance spoke with AI's Board members between June of 2024 and August of 2024, and Chance reported to various AI Board members, including Adomatis, Don Boucher, Elaine Ramirez, and Heather Mull, that Steinley was sexually harassing her, undermining her, and retaliating against her.

64. On or around June 18, 2024, AI's Audit Co-Chairs, Mike Tankersley, and Richard Wolf contacted Chance requesting certain information including intrusive and exceptionally unusual inquiries about staff. Chance objected and the AI committee told Chance in writing to "watch her tone" and to remember that "as soon as you leave this room that we will have all the

power over you.”

65. On or around May 2024, Adomatis told Chance that they must pursue every legal means to prevent Steinley from rejoining the organization as an officer again based on his harassment of women.

66. In or around May 2024, Konikoff had a verbal altercation with Steinley at a public event related to his behavior toward her.

67. In or around August 2024, AI Board member Elaine Ramirez told Chance that Steinley was controlling of women and that AI’s Board had a history of issues with sexism and corruption for many years. Ramirez told Chance that she had real concerns about female employees at AI being marginalized and she witnessed AI employing its Audit Committee to use force to undermine people such as women, LGBTQ+ individuals, and outsiders. Ramirez also told Chance that she thought that members of AI’s Board were undermining Chance and treating her in a way that was far worse than their treatment of males, based on her observations in the Audit Committee Meeting.

68. In or around August 2024, AI Board member Heather Mull told Chance that Steinley had been sexually inappropriate with her and that she felt uncomfortable because of Steinley’s sexual harassment. Mull asked Chance to help facilitate an open discussion with the Board about sexual harassment issues that should preclude Steinley from continuing on the Board and to ensure that Steinley could not become an officer again because of his sexual misconduct. Chance again reported to Mull that Steinley was also sexually harassing Chance. Mull reported to Chance that Board members were fearful of confronting Steinley based on retaliation including using proxies.

69. On or around August 15, 2024, Chance reported to AI’s Board again that there

were serious issues related to sexual harassment, bullying, and culture during an in-person Board meeting. Board member Rob Elliott responded by asking, “why do you keep telling us things we already know?”

70. In or about August 2024, Chance reported to the Board that Officers and staff were deliberately concealing the poor performance of a high profile, major investment aimed at growing revenue while “diversifying the profession,” Practical Applications of Real Estate Appraisal. Chance explained that the best course of action was to tell members the truth about the failure of this investment while shrinking or eliminating the program. Chance believed that this concealment violated the organization's obligation to inform members about material business losses and undermined diversity initiatives.

71. On or around August of 2024, AI’s Board re-elected Steinley to an officer position; Steinley was elected Vice President of the Board. Adomatis facilitated the election of Steinley by not following the protocol that had been provided by Chance, which recommended Adomatis to ask Steinley to leave the room to allow for open discussion by the Board of this nomination as Vice President as well as instruction to the Board that they did not need to accept this recommendation.

72. On or around August 16, 2024, Joan Barngrover, AI’s special assistant to the CEO and Board Secretary told Chance that the Officers were “horrible people” referring to their abuse of Chance and protection of one another from the consequences of their malfeasance. Barngrover also noted that meeting notes were not accurately representative of their meetings, nor of all of their meetings.

73. In August 2024, Chance reported to the Board that Officers were attempting to prevent her from addressing harmful practices by appraisal management companies that were

damaging members' livelihoods and undermining appraisal quality nationwide.

74. On or around August 15, 2024, and August 16, 2024, Steinley as Immediate Past President led a process described as a “performance evaluation” of Chance. By phrasing the process as a performance evaluation, Steinley became in charge of the process and ensured that Chance could not be in the room to address the Board.

75. At one point during the two-day meeting, Chance was called in and asked questions including one about a July 11, 2024 meeting she participated in with the Consumer Financial Protection Bureau, which included two appraisers who had been collecting information as whistleblowers. The purpose of the meeting was to express serious issues for consumers in this profession accountable to the public trust, including AMCs acting as middlemen and pocketing a significant percentage of each appraisal fee reported to consumers, the degradation of data on appraisals, and the impact of ongoing self-dealing within the industry, recognized by Director Chopra in public statements.

76. During the purported performance evaluation, Board members asked the Officers whether they had a responsibility to act based on the fact that Chance had been alerting them to concerns about sexual harassment that needed to be addressed. Adomatis shared with the Board that she had no reason to believe there had been sexual harassment at AI despite her many claims to the contrary to Chance, Liskar, Konikoff, and many others.

77. On or around August 18, 2024, the Board’s Officers presented Chance with a list of “Directives” undermining her ability to function as CEO including instruction to “Immediately stop all media communication that is not in compliance with the Executive Officers’ email to you dated August 4, 2024” which stated “We unequivocally ask you for two weeks’ lead time to evaluate and collaborate with you on future “From Cindy’s Desk” messages.

This courtesy shall also be extended to website messages and posts, membership-wide emails, and all similar outward-facing messaging prior to posting/publication... (cont.)” and also to “discontinue making disparaging remarks, verbally and/or in writing, about the organization, its governance or staff, such as and including, but not limited to, labeling the Board of Directors, Executive Officers, and the organization as political and dysfunctional.”

78. On or around August 18, 2024, Chance began hearing from members that AI Officers were planning to terminate her. On or around September 3, 2024, the President of the Board called a special Board meeting to continue the “performance evaluation” led by Steinley, at which there was an attempt to remove Chance as AI’s Chief Executive Officer, but the effort failed because of objections by some Board members and a public campaign of member support based on the widespread rumors, which Adomatis and Steinley denied publicly.

79. On or around September 7, 2024, the new CFO/COO, John Udelhofen, who is currently serving as Acting CEO/CFO/COO sent a letter to Chance notifying her that the behavior of the Officers and the Board is bordering on financial fraud and that it is apparent that she is being bullied. On or around September 10, 2024, Chance wrote in her update to the Board:

As a reminder, I offered a stern warning at the Q2 Board meeting following the [resolution of confidential former personnel claim] I made clear to the full Board my concerns about the risk of the ongoing culture that represented a grave risk to the organization.

I made clear, more explicitly still, at the start of the Q3 Board meeting that we were trying to work within a culture of sexism and abuse and self-dealing. This has not been discussed with me to date. My concerns seem to have been dismissed or ignored or addressed through sanctions against me in the form of Directives.

80. On or around September 10, 2024, and September 11, 2024, Adomatis announced another special Board meeting from which Chance would be recused under the pretext that the

Board would discuss her performance. Neither the Board nor Chance ever received any presentation on Chance's performance or a performance evaluation from Steinley.

81. On or around September 12, 2024, AI's Board held a special meeting to discuss Chance's "recent communications," which centered around her formal written and verbal warnings to the Officers and Board regarding the ethical and legal risks of their present course, including repeated inappropriate and discriminatory behaviors. The Board then approved terminating Chance's employment "without cause."

82. On or around September 12, 2024, the Board notified Chance by email that she was "terminated without cause." The Board told Chance that she could resign by September 13, 2024, at 10:00 a.m. *in lieu* of termination.

83. Chance immediately began receiving and continued to receive reports from individuals that Steinley, Konikoff, Adomatis, and others falsely told Board members, AI members, and the public that Chance "embezzled \$1M", that Chance "sold our body of knowledge to a for-profit competitor," that there was "something that [AI] should have come out in her background check was discovered," that "the staff needed to be protected from her," that "if you knew what she did, you'd understand [the reasons for her termination]."

84. Chance has sustained economic damages and mental anguish as the result of Defendants' actions, and she will continue to sustain damages into the future.

COUNT I
Illinois Human Rights Act
775 ILCS 5/1-101 *et seq.*
Sexual Harassment
Against All Defendants Jointly and Severally

85. Plaintiff hereby incorporates all allegations set forth in the foregoing paragraphs as though fully alleged herein.

86. Plaintiff was an employee as defined in 775 ILCS 5/2-101(A).

87. Defendant AI is an employer as defined in 775 ILCS 5/2-101(B).
88. Defendant Steinley is an employee as defined in 740 ILCS 174/5.
89. Defendants subjected Plaintiff to sexual harassment as defined in 775 ILCS 5/2-101(E).
90. Defendants violated 775 ILCS 5/2-102(D) when Steinley engaged in sexual harassment of Plaintiff.
91. Plaintiff has sustained damages as the result of Defendants' illegal sexual harassment in violation of the Illinois Human Rights Act, including, but not limited to, damage to her career and emotional and mental distress.
92. Plaintiff is entitled to such legal or equitable relief as will effectuate the purposes of the statute, including, but not limited to, a cease and desist order; actual damages; a civil penalty; reasonable costs and attorneys' fees; a compliance report; posting of notices; and any such action as may be necessary to make Plaintiff whole.

COUNT II
Illinois Human Rights Act
775 ILCS 5/1-101 *et seq.*
Retaliation
Against All Defendants Jointly and Severally

93. Plaintiff hereby incorporates all allegations set forth in the foregoing paragraphs as though fully alleged herein.
94. Plaintiff was an employee as defined in 740 ILCS 174/5.
95. Defendant AI is an employer as defined in 740 ILCS 174/5.
96. Defendant Steinley is an employee as defined in 740 ILCS 174/5.
97. Defendants are person as defined in 775 ILCS 5/1-103(L).
98. Defendants subjected Plaintiff to retaliation as defined in 775 ILCS 5/6-101(A).
99. Plaintiff engaged in protected activity when she reported Steinley's sexual

harassment of her and other women at AI and the sexism present at AI.

100. Plaintiff reasonably and in good faith believed that Steinley's sexual harassment was prohibited by the Illinois Human Rights Act.

101. Defendants violated 775 ILCS 5/6-101 when it retaliated against her by undermining her, issuing directives to her, and ultimately terminating her employment because of her protected activity.

102. Plaintiff has sustained damages as the result of Defendants' illegal retaliation in violation of the Illinois Human Rights Act, including, but not limited to, damage to her career and emotional and mental distress.

103. Plaintiff is entitled to such legal or equitable relief as will effectuate the purposes of the statute, including, but not limited to, a cease and desist order; actual damages; a civil penalty; reasonable costs and attorneys' fees; a compliance report; posting of notices; and any such action as may be necessary to make Plaintiff whole.

COUNT III
Illinois Whistleblower Act
740 ILCS 174/1 *et seq.*
Against Defendant AI

104. Plaintiff hereby incorporates all allegations set forth in the foregoing paragraphs as though fully alleged herein.

105. Plaintiff was an employee as defined in 740 ILCS 174/5.

106. Defendant AI is an employer as defined in 740 ILCS 174/5.

107. Defendant AI took retaliatory action against Plaintiff as defined in 740 ILCS 174/5 when it issued directives to Plaintiff and ultimately terminated her employment.

108. 740 ILCS 174/15(c) prohibits an employer from taking retaliatory action against an employee for disclosing or threatening to disclose to any supervisor, principal officer, board

member, or supervisor information related to an activity, policy, or practice of the employer if the employee has a good faith belief that the activity, policy, or practice “(i) violates a State or federal law, rule, or regulation or (ii) poses a substantial and specific danger to employees, public health, or safety.”

109. Plaintiff reported to Defendant AI’s Board members and General Counsel that Steinley, an AI officer, was sexually harassing her.

110. Plaintiff had a good faith belief that Steinley’s sexual harassment of her violated the Illinois Human Rights Act, 775 ILCS 5/2-102 *et seq.*, and posed a substantial and specific danger to employees.

111. Plaintiff reported to Defendant AI’s Board members that AI was providing inaccurate state certification information through haphazard organizational practices. Plaintiff had a good faith belief that this practice violated requirements of the Illinois Department of Financial and Professional Regulation and similar regulations in other states.

112. Plaintiff reported to Defendant AI’s Board members that Officers were deliberately overstating membership numbers to shield themselves from accountability for organizational decline. Plaintiff had a good faith belief that this practice violated reporting requirements established by the Illinois Attorney General’s Charitable Trust Bureau and IRS annual reporting mandates for 501(c)(6) organizations.

113. Plaintiff reported to Defendant AI’s Board members that Officers, particularly the Board President, were improperly influencing teaching appointments to benefit themselves and their associates, resulting in diminished educational quality and diversity. Plaintiff had a good faith belief that this practice violated Federal anti-discrimination laws, Illinois human rights laws, and professional standards required by the Illinois Department of Financial and

Professional Regulation.

114. Plaintiff reported to Defendant AI's Board members that AI's instructor approval and hiring practices were systematically discriminatory and were creating barriers that effectively prevented qualified women and other candidates from securing instructor positions. Plaintiff had a good faith belief that this practice violated the Illinois Human Rights Act, 775 ILCS 5/2-102 *et seq.*,

115. Plaintiff reported to Defendant AI's Board members that AI's testing materials contained questions with incorrect examination answers. Plaintiff had a good faith belief that this practice violated professional standards required by the Illinois Department of Financial Professional Regulation and comparable regulatory bodies.

116. Plaintiff reported to Defendant AI's Board members that Officers were attempting to prevent her from addressing harmful practices by appraisal management companies that damaged members' livelihoods and undermined appraisal quality. Plaintiff had a good faith belief that this practice violated consumer protection regulations established by the CFPB and SEC, as well as anti-trust laws.

117. Plaintiff reported to Defendant AI's Board members that Officers and staff were deliberately concealing the poor performance of Practical Applications of Real Estate Appraisal (“PAREA”). Plaintiff had a good faith belief that this practice violated the organization's obligation to inform members about material business losses and requirements established by the Illinois Secretary of State's Business Services Department and Illinois Attorney General for 501(c)(6) organization.

118. Defendant AI violated 740 ILCS 174/15(c) when it retaliated against Plaintiff for her disclosures of sexual harassment and illegal organizational practices.

119. As a result of Defendant AI's violations of the Whistleblower Act, Plaintiff has suffered and is continuing to suffer injuries, including, but not limited to, damage to her career, damage to her professional reputation, damage to her personal reputation, emotional distress, and mental distress.

120. For Defendant AI's unlawful retaliation against Plaintiff in violation of the Whistleblower Act, Plaintiff is entitled to such legal or equitable relief as will effectuate the purposes of the statute, including, but not limited to, reinstatement at the same seniority status Plaintiff would have had but for the violation; back pay, with interest; and compensation for any damages sustained as a result of the violation, including litigation costs, expert witness fees, and reasonable attorneys' fees.

COUNT IV
Defamation *Per Se*
Against Defendant AI

121. Plaintiff hereby incorporates all allegations set forth in the foregoing paragraphs as though fully alleged herein.

122. Under Illinois common law, an employer is prohibited from engaging in defamation *per se*. *Green v. Rogers*, 234 Ill. 2d 478, 488, 917 N.E. 2d 450, 457 (2009).

123. Defendant AI has engaged in *defamation per se* when it has told Board members, organization members, and the general public that Plaintiff "embezzled \$1M", that Plaintiff "sold our body of knowledge to a for-profit competitor," that there was "something that [AI] should have come out in her background check was discovered," that "the staff needed to be protected from her," that "if you knew what she did, you'd understand [the reasons for her termination]."

124. As a result of Defendant AI's defamatory statements, Plaintiff has suffered and is continuing to suffer injuries, including, but not limited to, damage to her career, damage to her professional reputation, damage to her personal reputation, emotional distress, and mental

distress.

125. For Defendant AI's unlawful defamation, Plaintiff is entitled to such available legal or equitable relief, including, but not limited to, nominal damages, general damages, and reasonable costs and attorneys' fees.

COUNT V
Negligent Hiring
Against Defendant AI

126. Plaintiff hereby incorporates all allegations set forth in the foregoing paragraphs as though fully alleged herein.

127. Under Illinois common law of negligent hiring, an employer becomes liable for an employee's torts if (1) the employer knew or should have known that the employee had a particular unfitness for the position so as to create a danger of harm to third persons; (2) such particular unfitness was known or should have been known at the time of the employee's hiring; and (3) this particular unfitness proximately caused the plaintiff's injury.

128. Defendant AI's Board member and Officer, Steinley, sexually harassed and physically sexually assaulted Plaintiff.

129. Defendant AI negligently hired Steinley as immediate past President of the Board and Vice President of the Board, despite Defendant AI knowing that Steinley had sexually harassed Plaintiff and other women within the organization.

130. Defendant AI owed a duty of care to Plaintiff as Plaintiff's employer.

131. Defendant AI knew or reasonably should have known at the time of Defendant AI's hiring of Steinley as immediate past President and Vice President that Steinley had a particular unfitness for the position that created a danger of harm to third persons because Plaintiff reported to Board members and Defendant AI's General Counsel that Steinley had sexually harassed her and other women within the organization.

132. Steinley's unfitness for the position was the proximate cause of Plaintiff's injury because Steinley sexually harassed Plaintiff.

133. As a result of Defendant AI's negligent hiring, Plaintiff has suffered and is continuing to suffer injuries, including, but not limited to, damage to her career, damage to her professional reputation, damage to her personal reputation, emotional distress, and mental distress.

134. For Defendant AI's negligent hiring, Plaintiff is entitled to such available legal or equitable relief, including, but not limited to, nominal damages, general damages, and reasonable costs and attorneys' fees.

COUNT VI
Negligent Retention
Against Defendant AI

135. Plaintiff hereby incorporates all allegations set forth in the foregoing paragraphs as though fully alleged herein.

136. Under Illinois common law of negligent retention, an employer becomes liable for an employee's torts if (1) the employer knew or should have known that the employee had a particular unfitness for the position so as to create a danger of harm to third persons; (2) such particular unfitness was known or should have been known at the time of the employee's retention; and (3) this particular unfitness proximately caused the plaintiff's injury..

137. Defendant AI's Board member and Officer, Steinley, sexually harassed and physically sexually assaulted Plaintiff.

138. Defendant AI negligently retained Steinley as immediate past President of the Board and Vice President of the Board because Defendant AI knew that Steinley had sexually harassed Plaintiff and other women within the organization yet allowed him to continue with the organization.

139. Defendant AI owed a duty of care to Plaintiff as Plaintiff's employer.

140. Defendant AI knew or reasonably should have known at the time of Defendant AI's retention of Steinley as immediate past President and Vice President that Steinley had a particular unfitness for the position that created a danger of harm to third persons because Plaintiff reported to Board members and Defendant AI's General Counsel that Steinley had sexually harassed her and other women within the organization.

141. Steinley's unfitness for the position was the proximate cause of Plaintiff's injury because Steinley sexually harassed Plaintiff.

142. As a result of Defendant AI's negligent retention of Steinley, Plaintiff has suffered and is continuing to suffer injuries, including, but not limited to, damage to her career, damage to her professional reputation, damage to her personal reputation, emotional distress, and mental distress.

143. For Defendant AI's unlawful negligent retention of Steinley, Plaintiff is entitled to such available legal or equitable relief, including, but not limited to, nominal damages, general damages, and reasonable costs and attorneys' fees.

COUNT VII
Negligent Supervision
Against Defendant AI

144. Plaintiff hereby incorporates all allegations set forth in the foregoing paragraphs as though fully alleged herein.

145. Under Illinois common law of negligent supervision, an employer becomes liable for an employee's torts if the employer failed to reasonably supervise an offending employee.

146. Defendant AI's Board member and Officer, Steinley, sexually harassed and physically sexually assaulted Plaintiff.

147. Defendant AI had a duty to supervise Steinley because he was an Officer of the

organization.

148. Defendant AI negligently supervised Steinley because Defendant AI knew that Steinley had sexually harassed Plaintiff and other women within the organization yet did not supervise him to the extent that they could stop Steinley's sexual harassment.

149. Steinley's sexual harassment of Plaintiff was generally foreseeable because Plaintiff reported to Board members and Defendant AI's General Counsel that Steinley had sexually harassed her and other women within the organization.

150. Defendant AI's failure to supervise Steinley was the proximate cause of Plaintiff's injury because Steinley sexually harassed Plaintiff.

151. As a result of Defendant AI's negligent supervision of Steinley, Plaintiff has suffered and is continuing to suffer injuries, including, but not limited to, damage to her career, damage to her professional reputation, damage to her personal reputation, emotional distress, and mental distress.

152. For Defendant AI's unlawful negligent supervision of Steinley, Plaintiff is entitled to such available legal or equitable relief, including, but not limited to, nominal damages, general damages, and reasonable costs and attorneys' fees.

PRAYER FOR RELIEF

Plaintiff prays this Honorable Court for the following relief:

- A. Judgment against Defendants in an amount of damages to be determined at trial;
- B. Pre-judgment interest;
- C. Economic damages including front pay and back pay;
- D. Compensatory and punitive damages;
- E. Interest due on unpaid wages;

- F. Reasonable attorneys' fees and the cost of this action;
- G. Reasonable expert witness fees; and
- H. Any other relief this Honorable Court deems just and proper to award.

JURY DEMAND

Plaintiff demands a jury for all issues proper to be so tried.

Dated: May 8, 2025

Respectfully submitted,

Thalia Pacheco

R. Scott Oswald, *pro hac vice to be filed*
Anita Mazumdar Chambers, *pro hac vice to be filed*
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Cook County ID: 23522

Plaintiff's Attorneys

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS

_____ DEPARTMENT/_____ DISTRICT

v.

No. _____

JURY DEMAND

The undersigned demands a jury trial.

Thalia Pacheco

(Signature)

Atty. No.: _____

Name: _____

Atty. for: _____

Address: _____

City/State/Zip: _____

Telephone: _____

Primary Email: _____

Secondary Email: _____

Tertiary Email: _____

Dated: _____