

In the  
United States Court of Appeals  
For the Seventh Circuit

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No. 16-2475

TERENCE S. CHANCELLOR,

*Plaintiff-Appellant,*

*v.*

SELECT PORTFOLIO SERVICING and JPMORGAN CHASE  
BANK, N.A.,

*Defendants-Appellees.*

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Appeal from the United States District Court for the  
Northern District of Illinois, Eastern Division.  
No. 14 C 7712 — **Sharon Johnson Coleman**, *Judge*.

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SUBMITTED JULY 5, 2017 — DECIDED JULY 19, 2017

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Before POSNER, KANNE, and SYKES, *Circuit Judges*.

POSNER, *Circuit Judge*. The plaintiff reached an oral agreement to settle a litigation arising out of a home mortgage loan to him, but the defendants insisted that as part of the settlement he would have to release any claims he had against another bank, and also a trust company, neither of which had been a party to the litigation. Although the district judge agreed with the defendants' position, it hasn't been proved that anyone had told the plaintiff during the

settlement conference that by agreeing to the settlement he would also be releasing any claim he might have against the two nonparties to the litigation. Because there was no evidentiary proceeding, there was no basis for the judge's deciding that the plaintiff had agreed to release the claims against the nonparties. The judgment must therefore be vacated and the case remanded for a factual inquiry into the parties' disagreement.