NONPRECEDENTIAL DISPOSITION
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United States Court of Appeals

For the Seventh Circuit
Chicago, Illinois 60604

Argued January 18, 2023
Decided March 13, 2025

Before

DAVID F. HAMILTON, *Circuit Judge*

CANDACE JACKSON-AKIWUMI, *Circuit Judge*

JOHN Z. LEE, *Circuit Judge*

No. 22-2189

MEREDITH D. DAWSON,
Plaintiff-Appellant,

v.

GREAT LAKES EDUCATIONAL LOAN SERVICES, INC. and GREAT LAKES HIGHER EDUCATION CORPORATION,
Defendants-Appellees.

Appeal from the United States District Court for the Western District of Wisconsin.

No. 3:15-cv-00475

James D. Peterson,
Chief Judge.

O R D E R

Meredith Dawson brought this class action against Great Lakes Educational Loan Services, Inc. and Great Lakes Higher Education Corporation (collectively, "Great Lakes"), alleging that Great Lakes had improperly capitalized interest on student loans after certain forbearance periods, thereby increasing the loan balances. This, she asserts, violated the Racketeer Influenced and Corrupt Organizations Act ("RICO"), *see*

18 U.S.C. § 1962, and constituted actionable negligence under Wisconsin tort law.[1] The district court granted summary judgment in favor of Great Lakes, concluding that Dawson had failed to present any evidence of a RICO violation and that Great Lakes had already redressed any damages resulting from its purportedly tortious activity. We affirm.

I.

A. Great Lakes

Great Lakes is a loan servicer that provides administrative services to lenders of student loans. As part of its duties, Great Lakes places a borrower's loan in forbearance when the circumstances warrant. This suspends the borrower's obligation to make payments on the loan but does not stop interest on the loan from accruing. When Great Lakes places a loan into or out of forbearance, it notes the status change in its computer-automated loan servicing system.

One of Great Lakes's customers is the United States Department of Education (DOE), which owns most of the student loans in the country. Great Lakes's contract with DOE requires it to comply with all agency regulations, including those addressing interest capitalization—the practice by which a lender adds the amount of unpaid accrued interest on a loan to the loan's principal balance. Interest capitalization increases a loan's outstanding principal as well as the interest the borrower has to pay (which, of course, is based on the principal amount).

For some time, Great Lakes's computerized loan servicing system capitalized accrued interest after certain forbearance periods for DOE-owned student loans (the parties call the forbearance periods at issue here "B-9 Forbearances").[2] In other words, Great Lakes rolled the unpaid interest that had accumulated before and during a B-9 Forbearance into the principal of the loan once the loan came out of forbearance.

In May 2012, DOE had instructed its loan servicers, including Great Lakes, to

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[1] Dawson also brought a breach-of-contract claim against the United States Department of Education and RICO claims against several individual Great Lakes employees. The district court dismissed Department of Education and entered summary judgment in favor of the Great Lakes employees. Dawson has not challenged these decisions on appeal.

[2] "B-9 Forbearances" refer to administrative forbearance periods described in 34 C.F.R. § 685.205(b)(9) and 34 C.F.R. § 682.211(f)(11).

create two new types of forbearances that did not trigger interest capitalization. This led Great Lakes to revise its capitalization rules and, in the process, cease interest capitalization after B-9 Forbearances. According to Great Lakes, these modifications were largely completed by April 2014 and finished in August 2015.

B. The Remediation Project

Dawson had federal student loans serviced by Great Lakes that had been subject to B-9 Forbearance. Noticing the capitalization of interest after the forbearance period, she filed this lawsuit on July 31, 2015. Approximately a year later, DOE informed Great Lakes that some of its capitalization practices after B-9 Forbearance periods had violated agency regulations (although Dawson asserts that Great Lakes knew this far earlier).

In January 2017, Great Lakes proposed a "remediation project" to DOE to correct these errors.[3] Under this proposal, Great Lakes would deduct all accrued interest and any financial transactions that occurred from the date of the first erroneous capitalization. It then would recalculate the principal amount without the errors and re-apply the financial transactions that it had deducted, essentially "rebuilding" the loans as though the improper capitalizations never occurred. DOE approved Great Lakes's proposal in August 2017, and Great Lakes began the project shortly thereafter.

There were about 137,000 borrowers affected by Great Lakes's B-9 Forbearance capitalization errors, and Great Lakes recalculated each of their loan balances as part of its remediation efforts. For most borrowers, implementing the corrected balance was straightforward. So long as the borrower still had an outstanding loan serviced by Great Lakes, they received a balance reduction for any erroneous additions in the form of credits to their account. But for a minority of borrowers, the situation was more complicated.

Some borrowers had loans that were no longer serviced by Great Lakes but by another servicer. For individuals in this group, Great Lakes provided DOE with a

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[3] Great Lakes refers to this as the "Second Remediation Project." When investigating Dawson's allegations, Great Lakes had discovered two additional programming errors in its servicing system. Great Lakes implemented a remediation project to correct these errors; Great Lakes refers to that as the "First Remediation Project." Dawson has disclaimed any reliance on these programming errors or the First Remediation Project.

spreadsheet with the recalculated balance and instructed DOE to send the spreadsheet to the new servicer. Other borrowers had fully paid the impacted loan before the remediation project began but had other accounts with outstanding balances. For them, Great Lakes applied the amount of overpayment to the remaining accounts. Yet others had fully paid the loan but had no other accounts. Great Lakes instructed DOE to issue reimbursement checks to this group for any overpayment exceeding five dollars.

The process was most complicated for a fourth group comprising approximately 15,000 borrowers, whose account balances *increased* as a result of the remediation process. These increases were due to a variety of reasons, such as when a post-remediation lower principal-to-interest ratio caused a borrower to no longer qualify for certain federal loan subsidies or when the remediation triggered unrelated capitalization events pursuant to DOE guidance.

This last point merits some explanation. In September 2014, DOE issued a memorandum instructing loan servicers to capitalize interest for loans in certain circumstances. (Such instructions are known in the industry as "change requests.") It was only in November 2015, however, that DOE authorized Great Lakes to begin implementing the change request after much dialogue.

DOE also informed the servicers, including Great Lakes, that they did not need to affirmatively apply the change request to loans in their portfolios retroactively. Instead, the servicers were to apply the new capitalization rules whenever they came across an impacted loan in the process of adjusting or remediating the loan for some other purpose. When rebuilding the loans during the B-9 Forbearance remediation, Great Lakes had to apply the change request, which increased the loan balance for some borrowers.

For those borrowers in this group, whose account balances increased as a result of this process, Great Lakes took no further action. But there was a small number of borrowers who had fully paid off their loans before the remediation project and experienced an outstanding balance post-remediation. For those borrowers, Great Lakes used its own funds to pay off the balance. Great Lakes completed the remediation project in August 2018.

C. Procedural History

By the time the remediation project was finished, the district court had already certified the class as to liability, and Great Lakes moved for summary judgment. It argued, in part, that the remediation project had fully redressed any damages class members might have experienced as a result of its alleged negligence. The district court disagreed because, in its view, Great Lakes had not met its burden to prove that it had mitigated the class's damages completely. Moreover, the district court certified the class as to damages (as well as liability) based upon evidence from Dawson's expert that Great Lakes's capitalization errors had increased the class's loan balances by approximately $28.8 million. The district court, however, did grant summary judgment to Great Lakes on the RICO claims. *See Dawson v. Great Lakes Educ. Loan Servs., Inc.*, No. 15-cv-475, 2021 WL 1174726, at *20 (W.D. Wis. Mar. 29, 2021).

The case was set to proceed to trial on the negligence claims, but by then, Great Lakes had offered substantial evidence in the form of expert attestations that its remediation project had addressed whatever damages the class may have suffered due to the improper capitalization. Because Dawson did not offer any experts to contest these opinions and it was unclear how she intended to challenge this evidence at trial, the district court invited another round of summary judgment motions, this time solely on the issue of damages. *See Dawson v. Great Lakes Educ. Loan Servs., Inc.*, No. 15-cv-475, 2022 WL 602903, at *5 (W.D. Wis. Mar. 1, 2022).

The parties then filed cross-motions for summary judgment, with Great Lakes once more relying on its remediation project and Dawson arguing that the class was entitled to $6.6 million—the amount by which Dawson believed the remediation project fell short. This time, the district court agreed with Great Lakes and granted summary judgment in its favor with one exception: the court kept the claim alive for those borrowers who had overpaid by five dollars or less but were never reimbursed. *See Dawson v. Great Lakes Educ. Loan Servs., Inc.*, No. 15-cv-475, 2022 WL 1500447, at *12 (W.D. Wis. May 12, 2022), *reconsideration denied*, 2022 WL 2104121 (W.D. Wis. June 2, 2022). Given the relatively small amount that remained at issue, the court solicited the parties' views on how to proceed.

In response, Great Lakes argued that Dawson could not adequately represent the surviving borrowers as required by Federal Rule of Civil Procedure 23(a)(4) because she did not fall within this group. As such, Great Lakes proposed that the court exclude these borrowers from the class. The court agreed, removed them from the class, and

entered summary judgment in Great Lakes's favor. *See Dawson v. Great Lakes Educ. Loan Servs., Inc.*, No. 15-cv-475, 2022 WL 1641143, at *3 (W.D. Wis. May 24, 2022).

Dawson now appeals, arguing that the district court erred in granting summary judgment to Great Lakes on the negligence and RICO claims. She also challenges the class notice as well the court's handling of various case management issues throughout this litigation.

II.

A. Summary Judgment

We review *de novo* the district court's grant of summary judgment in favor of Great Lakes, viewing the facts in the light most favorable to Dawson and construing all reasonable inferences in her favor. *See Juday v. FCA US LLC*, 57 F.4th 591, 594 (7th Cir. 2023). "Summary judgment is appropriate when there are no material facts in dispute and the moving party is entitled to judgment as a matter of law." *Id.* (citing Fed. R. Civ. P. 56(a)).

1. Negligence Claims

The district court granted summary judgment to Great Lakes on the state law negligence claims because, it reasoned, although Dawson had provided evidence that the capitalization errors increased the class members' debt by $28.8 million, Great Lakes had provided unrebutted evidence that its remediation project removed those errors from class members' accounts. *See Wingad v. John Deere & Co.*, 523 N.W.2d 274, 278 (Wis. Ct. App. 1994) ("Generally, it is the plaintiff's burden to establish damages which result from the defendant's tortious acts or breach of contract. However, it is the defendant's burden to establish matters asserted in mitigation or reduction of the amount of plaintiff's damages.") (citation omitted).

On appeal, Dawson argues that the class is entitled to the full $28.8 million because Great Lakes cannot support the sufficiency of its remediation. But in her opening brief in support of her summary judgment motion before the district court, Dawson said that the figure was $6.6 million. Dawson calculated this number by starting with $28.8 million (her expert's opinion of the total damages) and subtracting $22.2 million (the amount that Great Lakes returned to class members through refunds or balance reductions). Dawson attributed the $6.6 million largely to Great Lakes's application of DOE's change request during the remediation process.

Dawson then changed course in her reply brief, arguing for the first time that the class was entitled to the full $28.8 million because Great Lakes had not recorded "snapshots" of each class member's account before and after conducting the remediation project. The district court rejected this argument as untimely, finding that Dawson had not received "any new information that would justify such a significant change in her position." *Dawson*, 2022 WL 2104121, at *3. We do not believe that the district court abused its discretion by doing so. *See Chessie Logistics Co. v. Krinos Holdings, Inc.*, 867 F.3d 852, 860 (7th Cir. 2017).[4] In any event, Dawson's argument lacks merit.[5]

Dawson concedes that Great Lakes provided expert evidence that "the capitalizations were no longer being used in class members' balance calculations." But, according to her, Great Lakes can only prove that it fully remediated the loans by providing records of each borrower's account both before and after the remediation. We see no reason (nor does Dawson provide any) why such evidence is necessary when Great Lakes has offered uncontested evidence of its remediation efforts and their impact.

Dawson submits four additional reasons why, she believes, Great Lakes's mitigation efforts fell short. But, as we shall see, none rebut the evidence Great Lakes has offered.

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[4] Dawson argues, as she did in the district court, that Great Lakes's response to one of her proposed findings of fact contained new information about the remediation project. But, as the district court explained, all the evidence cited in Great Lakes's response was available "long before [Dawson] filed her summary judgment brief." *Dawson*, 2022 WL 2104121, at *3. Dawson has not contested this finding on appeal.

[5] Dawson also claims that Great Lakes purposefully "spoliated" the evidence of how the remediation project altered the loan balances. But she did not develop this argument in her opening brief, only expounding on it in her reply. This is waiver. *See Puffer v. Allstate Ins. Co.*, 675 F.3d 709, 718 (7th Cir. 2012) (arguments that are "underdeveloped, conclusory, or unsupported by law" are waived); *Wonsey v. City of Chicago*, 940 F.3d 394, 398 (7th Cir. 2019) ("[A]rguments raised for the first time in a reply brief are waived.") (citations omitted). Additionally, Dawson says in passing that Great Lakes could have "arbitrarily" set class members' debt at a certain number when removing the capitalization errors, but she points to nothing in the record to substantiate this assertion.

a. Balance Increases

As evidence that the remediation project failed to completely redress the class members' damages, Dawson points to the approximately 15,000 borrowers whose loan balances actually increased post-remediation. As noted, Dawson attributes this increase mostly to the new capitalization rules that were triggered by Great Lakes's review of the loans. The district court rejected Dawson's reliance on these borrowers, holding that the balance increases were not proximately caused by Great Lakes's alleged negligence.

To establish legal causation under Wisconsin law, a plaintiff must prove cause-in-fact, *see Miller v. Wal-Mart Stores, Inc.*, 580 N.W.2d 233, 238 (Wis. 1998), and the court must assess whether, despite this causal connection, public policy precludes liability, *see Hornback v. Archdiocese of Milwaukee*, 752 N.W.2d 862, 875 (Wis. 2008) (listing the six public policy factors courts should consider). As we have explained, these public policy factors "function like a proximate cause analysis." *Burton v. E.I. du Pont de Nemours & Co., Inc.*, 994 F.3d 791, 829 (7th Cir. 2021); *see Fandrey ex rel. Connell v. Am. Family Mut. Ins. Co.*, 680 N.W.2d 345, 353 (Wis. 2004) ("[W]hen a court precludes liability based on public policy factors, it is essentially concluding that despite the existence of cause-in-fact, the cause of the plaintiff's injuries is not legally sufficient to allow recovery.").

The district court primarily relied on the first factor, which asks whether the injury was "too remote from the negligence" to support liability. *Hornback*, 752 N.W.2d at 875 (citation omitted). This remoteness inquiry focuses on the foreseeability of the injury, *see Gracyalny v. Westinghouse Elec. Corp.*, 723 F.2d 1311, 1323 (7th Cir. 1983), and whether "'a superseding cause should relieve the defendant of liability.'" *Kidd v. Allaway*, 807 N.W.2d 700, 705 (Wis. Ct. App. 2011) (quoting *Cefalu v. Cont'l W. Ins. Co.*, 703 N.W.2d 743, 750 (Wis. Ct. App. 2005)). Here, the district court explained, it was DOE that required Great Lakes to apply new capitalization rules to the remediated loans and, at the time of the allegedly negligent errors, Great Lakes could not have reasonably foreseen this. In the court's view, this development severed the causal link between Great Lakes's purported negligence and the balance increases the borrowers experienced.

Dawson does not challenge this conclusion directly. She merely states that the district court "asked all the wrong causation problems" without explaining why its proximate cause analysis was incorrect under Wisconsin law. Indeed, she does not cite any Wisconsin causation cases at all. This failure to engage with the district court's reasoning borders on waiver. *See Wonsey*, 940 F.3d at 398 ("A party asking this court to

reverse a district court's judgment must 'argue why we should reverse that judgment' and 'cite appropriate authority to support that argument.'") (quoting *United States v. Berkowitz*, 927 F.2d 1376, 1384 (7th Cir. 1991)).

Nevertheless, we believe that the district court got it right. The court's decision hinged on its conclusion that Great Lakes could not have foreseen at the time of the alleged negligence that it would have to apply DOE's new capitalization rules when it remediated the loans. And, while Dawson does not contest this conclusion, our own review of the record confirms the district court's determination.

Dawson's most substantive challenge emerged during oral argument when her counsel claimed that Great Lakes could have employed an alternative remediation methodology that would have avoided the new capitalization rules. However, this argument was not only raised too late, *see Harden v. Marion Cnty. Sheriff's Dep't*, 799 F.3d 857, 863 (7th Cir. 2015), but also the document counsel cited does not support this contention.[6] Dawson, therefore, fails to demonstrate that the balance increases undermine Great Lakes's remedial efforts.

b. Refunds By Intermediaries

Next, Dawson raises several arguments specific to (a) borrowers whose loans were transferred to other loan servicers, and (b) borrowers who had fully paid off their loans prior to the remediation. As to the former, Great Lakes followed the "standard business protocol" for federal student-loan servicers in this situation: it sent spreadsheets with updated account information to DOE with instructions to route them to the new servicers. To address the latter group, Great Lakes instructed DOE to issue reimbursement checks through the United States Treasury for any borrowers who had overpaid on their loans by more than five dollars. These facts are uncontested.

Instead, Dawson focuses on the final step of the process and argues that Great Lakes failed to present any evidence that these intermediaries—DOE and other servicers—followed through on Great Lakes's instructions. But an employee attested that Great Lakes had received confirmation that DOE had issued the appropriate refunds and that servicers had made the necessary adjustments. Additionally, one of

[6] The document only says that Great Lakes considered using a formulaic (rather than account-rebuilding) approach, which would calculate and refund each borrower the "net impact" of the capitalization errors. As far as we can tell, the document does not indicate whether this alternative approach would have avoided the new capitalization rules.

Great Lakes's experts explained that he had reviewed similar corroboration in the form of "screenshots of refund confirmations issued by the … Treasury." Furthermore, these were not ad-hoc procedures Great Lakes invented, but well-established protocols that were standard in the industry.

By contrast, Dawson has provided no reason to believe that Great Lakes's instructions were not followed. Dawson does cite to one class member (Angela Monger), who declared that she never received a reimbursement check for her overpayments. But, in her case, the overpayments were reimbursed in the form of credits applied to her consolidated loan account. Dawson points to another class member (Elizabeth Mosser), who said that, even though she had fully paid off her loan, she had a new outstanding balance after the remediation. But Dawson does not dispute that Great Lakes used its own money to pay off the outstanding balances of borrowers in Mosser's position. And, Mosser's balance was the result of an administrative oversight that Great Lakes promptly corrected. None of this casts doubt on the overall completeness of the remediation.

c. Collateral Source Rule

Dawson also argues that Great Lakes's reliance upon the remediation project runs afoul of Wisconsin's collateral source rule. Specifically, Dawson appears to take the position that compensation (e.g., any refunds or credits), to the extent any was generated from the remediation project and received by the class, came from DOE or the other servicers, not Great Lakes itself.

The collateral source rule is an equitable doctrine intended to "deter negligent conduct by placing the full cost of the wrongful conduct on the tortfeasor" and "allow the injured party, not the tortfeasor, to benefit from a windfall that may arise as a consequence of an outside payment." *Fischer v. Steffen*, 797 N.W.2d 501, 506 (Wis. 2011) (footnote omitted). To that end, the rule provides that payments from sources "collateral" to the tortfeasor may not be used to reduce the tortfeasor's liability. *Koffman v. Leichtfuss*, 630 N.W.2d 201, 209 (Wis. 2001). In other words, the tortfeasor cannot receive credit for payments made by, for example, the plaintiff's insurer or for benefits that the plaintiff has the good luck to receive. *See id.* at 210. On the other hand, the plaintiff is entitled to benefits conferred by "the tortfeasor or someone identified with the tortfeasor (such as the tortfeasor's insurance company)." *Leitinger v. DBart, Inc.*, 736 N.W.2d 1, 7 (Wis. 2007). The application of the collateral source rule is a question of law that we review *de novo*. *See Fischer*, 797 N.W.2d at 506.

We see no reason why the collateral source rule would apply here. In this case, the benefits the borrowers received are neither unrelated to nor independent from the alleged tortfeasor, Great Lakes. Indeed, Great Lakes was intimately involved at every stage of the remediation process. It planned the project; obtained DOE's approval to implement the project; calculated the refund, account credit, or correction owed to each borrower; and instructed DOE on how to effectuate the proper remedy. When necessary, it even compensated borrowers out of its own pocket. And, to the extent that DOE provided credits or reimbursements to borrowers as part of the remediation, its servicing contract with Great Lakes obligated it to do so. Thus, the benefits the borrowers received were hardly "collateral" to Great Lakes. *See Leitinger*, 736 N.W.2d at 7.[7]

What is more, the collateral source rule is an equitable doctrine. Our analysis must be guided by public policy as well as the facts of this case. *See Paulson v. Allstate Ins. Co.*, 665 N.W.2d 744, 749 (Wis. 2003) (noting that the application of the collateral source rule "depends heavily upon the facts presented") (citation omitted). Great Lakes—with assistance from DOE—undertook significant efforts to correct its errors. Applying the collateral source rule here would discourage such constructive efforts and result in double recovery for the class members. *See id.* at 752 (collateral source rule did not apply where plaintiff's insurer settled its subrogation claim because the rule would result in double recovery and discourage settlements); *Fischer*, 797 N.W.2d at 509–10 (similar). Thus, even if it were applicable, we do not believe that application of the collateral source rule is warranted here.

d. De Minimis Class Members

Lastly, as evidence that the remediation did not completely address the class's damages, Dawson points to the small subset of borrowers who had made overpayments of five dollars or less but never received any compensation. According to Great Lakes, this was due to a *de minimis* threshold imposed by DOE (a fact Dawson disputes). Regardless, the district court believed that all injured borrowers were entitled to redress

[7] Dawson relies on *Molzof v. United States*, 6 F.3d 461 (7th Cir. 1993), but that case is readily distinguishable. There, we concluded that Wisconsin law would consider future medical expenses funded by government-provided veteran's healthcare to be collateral to the government's tort liability. *Id.* at 466–68. This was because veteran's medical benefits are similar to "traditional employee health benefits" and because the damages were for future medical expenses (meaning the veteran could choose between government-provided or truly collateral private healthcare). *Id.* Neither is true here.

and allowed the case to proceed as to these class members.

A short time later, Great Lakes moved to exclude this subset of class members from the class, arguing that Dawson (the sole class representative) could not adequately represent them. *See* Fed. R. Civ. P. 23(a)(4). Dawson failed to provide any response to this argument, and the district court agreed with Great Lakes and excluded these borrowers from the class. *Dawson*, 2022 WL 1641143, at *2. Other than mentioning it, Dawson does not present any meaningful argument on appeal either, and we need not address it further. *See Puffer*, 675 F.3d at 718.

2. RICO Claims

Dawson also brought RICO claims under 18 U.S.C. § 1964(c), alleging violations of 18 U.S.C. § 1962(c) based on the same loan servicing errors that formed the basis of the negligence claims. The district court granted summary judgment to Great Lakes as to these claims, concluding that Dawson had not presented any facts from which a reasonable jury could find a RICO violation.

Section 1962(c) makes it unlawful for a "person" to "conduct or participate" in the affairs of an "enterprise" through a pattern of racketeering. 18 U.S.C. § 1962(c). To establish a claim under this section, the plaintiff must identify two entities: the RICO "person" (*i.e.*, the defendant liable for RICO violations) and the RICO "enterprise" (*i.e.*, the vehicle through which the unlawful racketeering is committed). *See Nat'l Org. for Women, Inc. v. Scheidler*, 510 U.S. 249, 259 (1994); *United Food & Commercial Workers Unions & Emps. Midwest Health Benefits Fund v. Walgreen Co.*, 719 F.3d 849, 853 (7th Cir. 2013).

Additionally, the plaintiff must establish that the defendant "conduct[ed]" the affairs of the enterprise. 18 U.S.C. § 1962(c). In *Reves v. Ernst & Young,* the Supreme Court explained that this language requires proof that the defendant "participated in the operation or management of the enterprise itself." 507 U.S. 170, 183 (1993). Put differently, the defendant "must have [had] some part in directing [the enterprise's] affairs." *Id.* at 179; *see also Muskegan Hotels, LLC v. Patel*, 986 F.3d 692, 698 (7th Cir. 2021) (discussing section 1962(c)'s "operation-or-management requirement").

Here, Dawson points to two Great Lakes affiliated entities: the parent

corporation and one of its wholly-owned subsidiaries.[8] According to Dawson, the subsidiary (the RICO "person") conducted the affairs of its parent corporation (the RICO "enterprise") to engage in a pattern of fraudulent loan servicing.

The problem is that Dawson has offered no evidence that the Great Lakes subsidiary "controlled" its parent corporation in any fashion. She points only to the undisputed fact that the subsidiary was responsible for its own loan servicing operations with minimal oversight by the parent corporation. From this, Dawson surmises that the subsidiary "controlled" the parent's loan servicing business. This reasoning is at odds with the Supreme Court's decision in *Reves*, which makes it clear "that the subsidiary [must] participate in the *control* of the parent." *Fitzgerald v. Chrysler Corp.*, 116 F.3d 225, 227 (7th Cir. 1997) (emphasis in original) (citation omitted); *see Reves*, 507 U.S. at 185 ("[L]iability depends on showing that the defendants conducted or participated in the conduct of the *enterprise's* affairs, not just their *own* affairs.") (emphases in original) (cleaned up).

Thus, the typical corporate structure, where a wholly-owned subsidiary acts on behalf of and for the benefit of its parent company, is insufficient to support RICO liability. *See Emery v. Am. Gen. Fin., Inc.*, 134 F.3d 1321, 1324 (7th Cir. 1998) (explaining that the "conduct the affairs through" requirement would be satisfied if the subsidiary "managed to wrest control of the parent and use the parent as an instrument for further criminal activities"); *see also Brannon v. Boatmen's First Nat. Bank of Okla.*, 153 F.3d 1144, 1147–48 (10th Cir. 1998) (noting that, "as a matter of corporate reality," a subsidiary inherently "acts on behalf of" its parent company, which is not enough to state a RICO claim); *Bessette v. Avco Fin. Servs., Inc.*, 230 F.3d 439, 449 (1st Cir. 2000) ("[A] subsidiary that simply conducts its affairs as delegated by the parent company for the profit of the parent company is engaged in nothing more than a legitimate corporate and financial relationship, … which is certainly not subject to RICO liability on that basis alone.") (citations omitted). Accordingly, summary judgment in favor of Great Lakes on the RICO claims was proper.

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[8] The parent corporation (named "Great Lakes Higher Education") started servicing student loans in 1977. In 1996, it incorporated a wholly-owned subsidiary (called "Great Lakes Educational Loan Services") to take over the student loan servicing business.

B. Case Management

Dawson's remaining arguments focus on the district court's management of this case.

1. Class Notice

As Dawson sees it, the district court approved a class notice that violated Federal Rule of Civil Procedure 23(c) as well as the class members' due process rights. Her argument (though not entirely clear) appears to take aim at the notice's failure to expressly discuss the remediation project.

Early in this lawsuit, the district court invited the parties to submit proposed class notices. The court selected Great Lakes's proposal because it "hewed more closely" to the model forms developed by the Federal Judicial Center and "used plain language that would be easier for a nonlawyer to understand." The district court also accepted Dawson's suggested revisions except one. She objected to the disclaimer, which stated: "[t]he Court has not yet decided whether Great Lakes did anything wrong. There is no money available now, and no guarantee that there will be."

In its place, Dawson proposed: "Great Lakes has declared to the Court that Great Lakes is providing money and loan balance reductions" to borrowers, but "the Court has not confirmed the truth or accuracy" of these statements. The district court found this statement "confusing" because "it suggest[ed] that [an] individual must join the class if he or she wishes to obtain the benefits that Great Lakes is allegedly offering," which was not accurate.

Due process requires that class members in an action for money damages receive "personal notice and an opportunity to opt out of the class action." *Lemon v. Int'l Union of Operating Eng'rs, Loc. No. 139, AFL-CIO*, 216 F.3d 577, 580 (7th Cir. 2000) (citation omitted). To ensure that this opportunity is meaningful, a class member must have "sufficient information about the specific lawsuit to allow a class member to assess whether to exercise the right either to appear or to opt out." 7AA Charles Alan Wright & Arthur R. Miller, *Federal Practice and Procedure* § 1787 (3d ed. 2023). To that end, Rule 23 imposes a notice requirement in damages class actions. *See Eisen v. Carlisle & Jacquelin*, 417 U.S. 156, 173–74 (1974) (explaining that Rule 23's notice requirements are designed to fulfill the requirements of due process).

Dawson's objections to the notice are unpersuasive. She suggests that, because the remediation project was a "counterclaim," the notice needed to inform putative class members about the remediation and its details. *See* 7AA Wright & Miller, § 1787 (class notice should include the defendant's counterclaims so that absent class members are aware of their potential liability). But the notice informed putative class members that Great Lakes believed that the class members had not suffered any "compensable financial injuries to the extent that they have not paid back more than they rightfully owed on their student loans." Such language plainly alerts recipients that they might not be entitled to recover any damages at all. On this record, we cannot say that the district court abused its discretion in choosing the language that it did.

2. Docket Management

Lastly, Dawson resorts to arguing that the district court abused its discretion in the way it managed and scheduled matters in this case. This is an exceedingly difficult argument to make, as we have repeatedly announced that a district court has "broad discretion to manage" its docket and make scheduling decisions. *See, e.g.*, *Wis. Cent. Ltd. v. Soo Line R.R. Co.*, 993 F.3d 503, 508 n.7 (7th Cir. 2021) (citation omitted); *see also Ruark v. Union Pac. R.R. Co.*, 916 F.3d 619, 630 (7th Cir. 2019) (because district courts "must have a wide berth to manage caseloads and dockets," their discretion in scheduling trials is "almost standardless") (cleaned up).

Dawson has not pointed to a single instance where the district court abused its discretion. For example, Dawson notes that, when filing its first summary judgment motion, Great Lakes did not file any proposed findings of fact in violation of the local rules. Although Dawson had already filed her opposition to the summary judgment motion, the district court granted Great Lakes leave to file its proposed findings of fact late. In doing so, the court admonished defense counsel's failure to follow "well-known and long-standing" procedures. But, the district court continued, "in a case as complex as this one, denying the motion [for leave to file proposed findings] might well create more problems than it would solve."

This was not an abuse of discretion. District courts may enforce or relax local rules, so long as those rules are enforced equally between the parties. *See Novak v. Bd. of Trs. of S. Ill. Univ.*, 777 F.3d 966, 974 n.9 (7th Cir. 2015); *Modrowski v. Pigatto*, 712 F.3d 1166, 1169 (7th Cir. 2013). Indeed, Dawson does not offer any examples where the district court unfairly enforced local rules against her, but not Great Lakes. Instead, Dawson cursorily claims that the district court's decision gave Great Lakes a strategic

advantage. This is incorrect. The district court's order gave Dawson the opportunity to respond to Great Lakes's proposed findings of fact and limited those findings to the facts discussed in Great Lakes's opening brief.

Although Dawson provides other instances of the district court's supposed abuses, her arguments are meritless. Our review of this long, complicated lawsuit reveals a district court that was fair and measured to both sides. This was true even when the court was forced, on multiple occasions, to entreat *both* parties to comply with the court's rules, support their legal arguments with relevant authority, and avoid "inflammatory language." *See Dawson*, 2021 WL 1174726, at *20; *Dawson v. Great Lakes Educ. Loan Servs., Inc.*, No. 15-cv-475, 2019 WL 13184961, at *2 (W.D. Wis. Jan. 30, 2019). Defense counsel appears to have heeded this wise advice on appeal; unfortunately, plaintiffs' counsel has not.

III.

For the foregoing reasons, we AFFIRM.